

REPORT
INDIAN TEA ASSOCIATION
1959

INDIAN TEA ASSOCIATION

Report for the year ended 31st December, 1959.

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INDIAN TEA ASSOCIATION

REPORT OF THE GENERAL COMMITTEE FOR THE YEAR ENDED 31ST DECEMBER, 1959.

The General Committee have pleasure in presenting to members their report on the work of the Association during their period of office.

Membership.— The following Tea Companies and Tea Estates resigned from the membership of the Association during the year:—

Baitakhal Tea Co., Ltd.
Borholla (Assam) Tea Co., Ltd.
Dhendai Tea Estate.
Eastern Cachar Tea Co., Ltd..
Hoograjuli (Assam) Tea Co., Ltd.
Koyah Tea Co., Ltd.
Kunchunpore Tea Co., Ltd.
Lallamookh Tea Estate.
Loobah Co., Ltd.
Nagri Tea Estate.
Nilpur Tea Co., Ltd.
Pashok Tea Co., Ltd.
Rampore Tea Estate.
Silcoorie Tea Estate.
Subong Tea Estate.
Tonganagaon Tea Estate.
Vah-Tukvar Tea Estate.

The membership acreage of the Association as at the 31st December 1959 stood at 381,532.19 acres as compared with 385,995 and 398,293 acres at 31st December 1958 and 1959 respectively.

General Committee, Chairman and Vice-Chairman.— At the Annual General Meeting of members of the Association held on the 6th March, 1959 the following firms were declared elected by the vote of members to constitute the General Committee for the year 1959 and the representatives of these firms

who comprised the Committee during the year were as follows :—

<i>Firms.</i>	<i>Representatives.</i>
Messrs. Balmer Lawrie & Co., Ltd.	{ Mr. C. D. Wilson Mr. H. K. FitzGerald.
„ Davenport & Co. Private Ltd.	Mr. G. Carlton
„ Duncan Brothers & Co., Ltd.	{ Mr. L. T. Carmichael Mr. N. C. Lance
„ Gillanders Arbuthnot & Co., Ltd.	Mr. D. L. Betts
„ James Finlay & Co., Ltd.	{ Mr. N. S. Coldwell, M.C. Mr. A. N. Sircar
„ James Warren & Co., Ltd.	{ Sir Richard Duckworth, Bt. Mr. A. K. J. Henderson
„ Jardine Henderson Ltd.	Mr. I. F. Morriss, O.B.E.
„ Macneill & Barry Ltd.	{ Mr. E. A. Pitcairn Hon'ble S. P. Sinha Mr. E. F. Studd
„ Octavius Steel & Co., Ltd.	Mr. G. Kydd
„ Shaw Wallace & Co., Ltd.	Mr. H. K. Stringfellow
„ Williamson Mager & Co., Ltd.	{ Mr. P. H. Williamson, M.C. Mr. P. B. Nicholls
„ Andrew Yule & Co., Ltd.	Mr. G. F. Oldham

At the first meeting of the General Committee held on the 10th March, 1959 Mr. D. L. Betts of Messrs. Gillanders Arbuthnot & Co., Ltd. was elected Chairman of the Association and Mr. I. F. Morriss, O.B.E. of Messrs. Jardine Henderson Ltd. was elected Vice-Chairman.

Mr. Morriss resigned his appointment as Vice-Chairman in January, 1960 and Mr. N. S. Coldwell of Messrs. James Finlay & Co., Ltd. was elected Vice-Chairman in his place at a meeting held on the 13th January, 1960.

Sub-Committees.— The following Sub-Committees were constituted during the year 1959:—

The Darjeeling and Dooars Sub-Committee.

Mr. G. Carlton, <i>Chairman</i>	{	Mr. P. Fraser Casey
	{	Mr. B. P. Bajoria
{	Mr. L. T. Carmichael	
{	Mr. N. C. Lance	Mr. I. F. Morriss, O.B.E.,
{	Mr. N. S. Coldwell, M.C.	
{	Mr. A. N. Sircar	Mr. G. F. Oldham
{	Mr. A. C. H. Dolphin	Mr. G. A. Whitaker
{	Mr. D. B. Wallace	
	{	Mr. P. H. Williamson, M.C.
Mr. G. Kydd	{	Mr. P. B. Nicholls

Scientific Department Sub-Committee.

{	Mr. N. S. Coldwell, M.C.	Mr. G. Kydd
{	<i>Chairman</i>	
{	Mr. A. N. Sircar	Mr. G. F. Oldham
	Mr. P. B. Nicholls,	
	<i>Vice-Chairman</i>	{
		Mr. E. A. Pitcairn
	Mr. E. H. Adams	{
		Hon'ble S. P. Sinha
		{
		Mr. E. F. Studd
	Mr. M. S. Christie	
{	Mr. A. C. H. Dolphin	Mr. G. A. Whitaker
{	Mr. D. B. Wallace	
		{
	Mr. A. K. J. Henderson	Mr. C. D. Wilson
		{
		Mr. H. K. FitzGerald,

During the absence on leave of Mr. N. S. Coldwell, Mr. P. B. Nicholls acted as Chairman of this Sub-Committee.

Labour Sub-Committee.

Mr. D. L. Betts,	{	Sir Richard Duckworth, Bt.
<i>Chairman</i>	{	Mr. A. K. J. Henderson
Mr. G. Carlton		Mr. N. P. Goenka
{	Mr. L. T. Carmichael	
{	Mr. N. C. Lance	
{	Mr. N. S. Coldwell, M.C.	{
{	Mr. A. N. Sircar	Mr. E. A. Pitcairn
		{
		Hon'ble S. P. Sinha
		{
		Mr. E. F. Studd

*Tea Control and Cost of Production Investigation
Sub-Committee.*

Mr. D. L. Betts,	{	Mr. N. S. Coldwell, M.C.
<i>Chairman</i>		Mr. A. N. Sircar
Mr. G. Carlton	{	Sir Richard Duckworth, Bt
		Mr. A. K. J. Henderson
{ Mr. L. T. Carmichael	{	Mr. N. P. Goenka
{ Mr. N. C. Lance		

Foodstuffs (Assam and Cochar) Sub-Committee

Sir Richard Duckworth, Bt.	{	Mr. H. K. FitzGerald.
Mr. A. K. J. Henderson		Mr. G. A. McCarthy
<i>Chairman</i>	{	Mr. P. B. Nicholls
Mr. N. S. Coldwell, M.C.		
Mr. A. N. Sircar	{	H. K. Stringfellow

Tea Warehousing and Shipping Sub-Committee.

Mr. C. D. Wilson,	{	Hon'ble S. P. Sinha
Mr. H. K. FitzGerald,		
<i>Chairman</i>	{	Mr. M. R. Smith
Mr. A. E. Barker		

Finance and Taxation Sub-Committee.

Mr. J. S. F. Gibb, C.A.	{	Mr. S. B. Dutta, C.A.
Mr. A. M. S. Fergie, C.A.		Mr. D. Fordwood, C.A.
<i>Chairman</i>	{	Mr. N. C. Lance, C.A.
Mr. R. M. Bonner, C.A.		
Mr. D. A. Houghton, C.A.	{	Mr. G. A. McCarthy, A.C.A.
Mr. D. Collins, A.C.A.		
Mr. B. Ghose, A.S.A.A.	{	

Supplies, Transport and Freight Rates Sub-Committee

Mr. H. K. Stringfellow,	{	Mr. J. Duncan
<i>Chairman</i>		Mr. S. K. Mullick
Mr. A. E. Barker	{	Mr. E. A. Pitcairn
Mr. G. Carlton		Hon'ble S. P. Sinha
	{	Mr. E. F. Studd
Mr. V. K. Chaudhri		Mr. M. R. Smith

Customs and Excise Sub-Committee.

Hon'ble S. P. Sinha	Mr. N. P. Goenka
Mr. A. E. Barker	Mr. M. R. Smith

Bonus Sub-Committee.

Mr. D. L. Betts, <i>Chairman</i>	{ Mr. N. S. Coldwell, M.C.
	{ Mr. A. N. Sircar
{ Mr. L. T. Carmichael	{ Sir Richard Duckworth, Bt.
{ Mr. N. C. Lance	{ Mr. A. K. J. Henderson

Metric System Sub-Committee.

Mr. D. L. Betts, <i>Chairman</i>	{ Sir Richard Duckworth, Bt.
	{ Mr. A. K. J. Henderson
{ Mr. L. T. Carmichael	
{ Mr. N. C. Lance	H. K. Stringfellow

Land Utilisation Sub-Committee.

Mr. H. K. Stringfellow,	Mr. P. B. Nicholls
<i>Chairman</i>	
{ Sir Richard Duckworth, Bt.	{ Mr. C. D. Wilson
{ Mr. A. K. J. Henderson	{ Mr. H. K. Fitzgerald,

Cachar Sub-Committee.

Mr. I. F. Morriss, O.B.E.,	{ Mr. L. T. Carmichael
<i>Chairman</i>	{ Mr. N. C. Lance
Hon'ble S. P. Sinha	Mr. G. Kydd,

Headquarters Staff.— The Association's staff at Headquarters at present consists of Mr. J. L. Llewellyn, the Deputy Chairman, who was on leave from April to September, 1959. Mr. P. Crombie, the Calcutta Adviser and Mr. T. J. Mathias, the Additional Adviser. Mr. J. E. Atkins, who had also been in Calcutta as an Additional Adviser, was transferred to Assam at the end of October, 1959 as Joint Secretary, Labour, to the Assam Branch.

The Association's secretarial work continued to be performed by the Bengal Chamber of Commerce and Industry, from whose staff Mr. W. M. Paris, Mr. N. MacArthur and

Mr. W. F. Joyce were deputed to attend to the Association's affairs.

Secretarial Staff of the Branch and District Associations.—During the year under review Mr. P. N. McWilliam continued to serve as Secretary of the Assam Branch. Mr. P. J. Parr resigned early in 1959 and Mr. H. T. Rooke was appointed Joint Secretary, Labour in his place. Mr. Rooke went on leave at the end of March 1959 and later resigned. Mr. K. N. Sircar was transferred from Zone 2 to Branch Headquarters from March to October, 1959 to assist Mr. McWilliam during Mr. Rooke's absence. When it was learnt that Mr. Rooke was not returning to India Mr. J. E. Atkins, who had been serving as Additional Adviser in Calcutta, was transferred to the Branch at the end of October, 1959 as Joint Secretary, Labour. Mr. G. T. Allen, the Zone 3 Secretary was on leave from May to September and during his absence Mr. G. R. de la Rue Browne, who had been transferred from the Dooars to Assam in January, 1959, acted as the Secretary to the Zone. He was assisted by Mr. J. W. Sweetman, who resigned from the services of the Association at the end of November, 1959.

Mr. S. B. Datta continued as Secretary of the Surma Valley Branch throughout the year under review.

Brig. F. H. Stevens and Lt. Col. E. S. E. Rerrie continued as Secretaries of the Dooars and Darjeeling Branches of the Association respectively throughout 1959. Mr. R. C. Mazumdar was appointed Labour Adviser and Joint Secretary of the Dooars Branch on Mr. D. B. H. Moore's retirement in April, 1959.

Labour Department.— During the year under review several changes occurred in the Labour Department staff of the Association. Mr. H. T. Rooke and Mr. J. W. Sweetman resigned in Assam while Mr. D. B. H. Moore, the Dooars Labour Adviser retired in April 1959. To fill the vacancy caused by Mr. Rooke's resignation Mr. J. E. Atkins was transferred from Calcutta to Assam and in the Dooars Mr. H. Nawaz was appointed on probation in March, 1959 as an Additional Labour Adviser. Mr. Nawaz was not however confirmed on the expiry of his period of probation and he left the services of the Association in September 1959.

In the Assam Branch Mr. G. T. Allen was on leave from May to September, 1959.

In the Dooars Branch Mr. R. C. Mazumdar was appointed Labour Adviser and Joint Secretary on Mr. D. B. H. Moore's retirement.

The Labour Department staff are at present posted as follows : —

Mr. J. E. Atkins	Dikom HQ	} Assam Valley
Mr. R. J. Barkley	} Zone 1	
Mr. D. K. Dutta		
Mr. J. R. Gee Smyth	} Zone 2	
Mr. K. N. Sircar		
Mr. G. T. Allen	} Zone 3	
Mr. G. R. de la Rue Browne		
Mr. S. B. Datta		Cachar
Mr. R. C. Mazumdar	Binnaguri	} Dooars
Mr. T. Borooah	Binnaguri	
Lt. Col. E. S. E. Rennie		Darjeeling

Statistical Department.— The Association's Statistical Department continued to function in 1959 under the direction of Mr. B. A. Yashanoff, B. B. A. The Department has been of great assistance in collecting and analysing statistics relating to the monthly crop estimates, acreage and population figures, housing reports etc. and in providing statistical data in connection with the study of various formulae for the payment of Bonus to Labour.

The Tea Board.— (a) *The Board.*—During the year under review the Association was represented on the Tea Board by the following gentlemen :—

Mr. D. L. Betts
 Mr. N. S. Coldwell
 Mr. C. D. Wilson
 Mr. R. R. L. Pennell, and
 Mr. C. W. Emmett

Mr. Wilson was elected Vice-Chairman of the Board for the year 1959-60.

(b) *The Executive Committee.*—The Tea Board has an executive Committee of nine members and the following gentlemen represented the Association on it during the year:—

Mr. D. L. Betts
Mr. C. D. Wilson

(c) *Licensing Committee.*—Rule 12 of the Tea Rules 1954 provides for the constitution of two Licensing Committees, one for North India and one for South India. The Association's representatives on the North India Committee were Mr. D. L. Betts and Mr. C. D. Wilson.

(d) *Tea Research Liaison Committee.*—One of the functions of the Tea Board is to undertake, assist or encourage scientific, technological and economic research and the task of making recommendations for this purpose is allotted to the Tea Board's Tea Research Liaison Committee on which the Association was represented during the year under review by the following gentlemen:—

Mr. D. L. Betts
Mr. C. D. Wilson
Mr. J. E. Atkins and

The Director, Tocklai Experimental Station
Mr. Atkins resigned from this Committee on his transfer to Assam and the Association has requested the Tea Board to appoint Mr. T. J. Mathias in his place.

(e) *Ad Hoc Committee on Tea Chests.*—The Association was represented on the Board's *Ad Hoc* Committee on Tea Chests, whose principal function is to rationalise the placing of orders on approved factories and to safeguard the interests of consumers by:—

Mr. D. L. Betts
Mr. C. D. Wilson and
Mr. J. L. Llewellyn, O.B.E.

(f) *Ad Hoc Building Committee.*—Mr. D. L. Betts represented the Association on this Committee during the year under review.

(g) *Ad Hoc Committee on Tea Promotion*.—The Association was represented on the *Ad Hoc* Committee on Tea Promotion by the following gentlemen:—

Mr. D. L. Betts

Mr. J. L. Llewellyn

(h) *Working Group on the Metric System*.—The Association is represented on the Tea Board's working group on the metric system by Mr. J. L. Llewellyn.

(i) *Working Group on the Standardisation of Forms and Registers to be maintained by Tea Gardens*.—The Association is represented on the Tea Board's working group on the standardisation of forms and registers to be maintained by tea gardens by Mr. L. N. S. P. Pyke of Messrs. Davenport & Co. Private Ltd.

Minimum Wages Advisory Boards and Advisory Committees.—

(a) *Central Advisory Board*.—The Association was represented on the Minimum Wages Central Advisory Board, which was reconstituted by Government in November, 1959, by the Deputy Chairman, Mr. J. L. Llewellyn.

(b) *West Bengal Advisory Board*.—The Association was represented on the West Bengal Minimum Wages Advisory Board by Mr. P. Crombie, the Calcutta Adviser.

(c) *Advisory Committee for Assam*.—The Minimum Wages Advisory Committee for Assam was reconstituted in November, 1959 and Mr. J. L. Llewellyn the Deputy Chairman was appointed as one of the Employers' representatives on it.

(d) *Advisory Committee for the Dooars, Terai and Cooch Behar*.—The Association's representatives on the West Bengal Minimum Wages Advisory Committee for plantations in the Dooars, Terai and Cooch Behar were:—

Mr. D. L. Betts

Mr. N. S. Coldwell

Mr. J. L. Llewellyn

Mr. G. A. Verinder's nomination has not yet been gazetted by Government.

(e) *Advisory Committee for Darjeeling.*—The following gentlemen represented the Association on the Minimum Wages Advisory Committee for Hill gardens in Darjeeling:—

Mr. P. Crombie

Mr. T. J. Hardingham

Mr. G. Carlton

Mr. S. Prashad

Mr. C. W. Emmett.

(f) *Bihar Minimum Wages Advisory Board.*—The Association was represented on the Bihar Minimum Wages Advisory Board by Mr. J. E. Atkins. When Mr. Atkins was transferred to Assam the Association nominated Mr. P. Crombie to take his place on the Board.

(g) *Bihar Minimum Wages Committee.*—Mr. J. E. Atkins represented the Association on the Bihar Minimum Wages Advisory Committee until he was transferred to Assam in October, 1959. The Association has nominated Mr. Crombie to take his place on the Committee.

Indian Standards Institution.—The Association continued its membership of the Indian Standards Institution during 1959 and was represented on the following Committees of the Institution by the gentlemen indicated :—

(a) *Wood Products Sectional Committee* by Mr. F. Carman and Mr. P. B. Nicholls both of Messrs. Williamson Magor & Co., Ltd. as principal and alternate representatives respectively.

(b) *Fertiliser and Allied Products Sub-Committee*
(c) *Acid and Fertilizers Sectional Committee* } by Mr. S. M. Smith

and Mr. J. L. Capper both of Messrs. Shaw Wallace & Co., Ltd., as principal and alternate representatives respectively.

(d) *Agricultural and Food Products Division Council* by Mr. H. Ferguson, Director Tocklai Experimental

Station and Mr. S. Ananda Rao, Chief Scientific Officer of the United Planters Association of Southern India as principal and alternate representatives respectively. Mr. C. D. Wilson also served as the alternate member to the Chairman of the Tea Board on this Council and Mr. S. K. Dutta, the Senior Agriculturist at Tocklai Experimental Station was co-opted as an expert agriculturist.

Representation of the Association on various bodies.— The Association was represented on various public bodies during 1959 as follows :—

- (a) The Governing Body of the Endowment Fund of the School of Tropical Hygiene by Mr. H. Mackay Tallack.
- (b) The Committee of Control of the Ross Institute of Tropical Hygiene, India Branch by Mr. H. Mackay Tallack.
- (c) The Eastern Regional Committee of the Central British Committee by Mr. G. F. Oldham.
- (d) The Railway Rates Advisory Committee by Mr. E. A. Pitcairn.
- (e) The West Bengal Leprosy Association by Mr. V. K. Chaudhri.
- (f) West Bengal Pradesh Committee of the Sardar Vallabhbhai Patel Memorial Fund by Mr. D. L. Betts.
- (g) Bihar Labour Advisory Board by Mr. J. E. Atkins.
- (h) West Bengal Industrial Sub-Committee on Tea Plantations by Mr. T. J. Mathias.
- (i) Export Sub-Committee of the Bengal Chamber of Commerce and Industry by Mr. D. L. Betts.
- (j) Labour Relations Sub-Committee of the Bengal Chamber of Commerce and Industry by Mr. J. E. Atkins.

National Productivity Council: Study Tours Overseas,—

In August 1959 the Eastern Regional Committee of the Employers Federation of India informed the Association that the National Productivity Council proposed to send overseas 15 productivity teams on different subjects under the T.C.M. aid programme during the United States fiscal year July 1959-June 1960. Each productivity team would consist of 10 members drawn from the ranks of employers, technicians and workers both in the private and public sectors and selected from a panel prepared on the nomination of State Governments, Employers' and Employees' organisations and other public bodies. The Association nominated Mr. T. Borooah, the Dooars Branch's Additional Labour Officer as a member of the productivity team which will study industrial relations but up to the time of writing this team has not yet been finally constituted and it is not known whether Mr. Borooah's nomination will be accepted by the Council.

Indian Tea Association (London).— As in the past the General Committee corresponded throughout the year with the Indian Tea Association (London) on all matters of common interest and liaison between the two Associations was greatly facilitated by an interchange of visits which made possible discussion of many of the problems which confronted the Industry in 1959.

Sir Percival Griffiths, C.I.E., Adviser to the London Association visited India in November/December of 1959 and carried out an enquiry into organisation and expenditure at Tocklai Experimental Station. He is due to make a further visit in February/March 1960 to examine the affairs of the Association and the Branches. Mr. H. C. Bannerman and Lt. Col. F. W. S. Roberts of the London Committee visited India during the cold weather of 1959/60 and were invited to become Honorary Members of the Calcutta Committee. Similarly in London, Sir Richard Duckworth, Bt., Mr. N. S. Coldwell, M.C. and Mr. L. T. Carmichael were invited to become Honorary Members of the London Committee when they were in the U.K. on leave.

In accordance with custom the Chairman and Deputy Chairman paid a visit to London in July, 1959 when discussions on a wide range of subjects took place.

United Planters Association of Southern India.— As in the past liaison has been maintained by the Association with the United Planters Association of Southern India by an exchange of views on matters of importance to the tea industry. The South Indian Association was represented at meetings of the Consultative Committee of Tea Producer Associations held in Calcutta in February and October, 1959. The Chairman and Calcutta Adviser visited South India in August, 1959 to attend the Annual General Meeting of UPASI and the opportunity was taken of holding a meeting of the Consultative Committee at Coonoor at that time.

The Branch and District Associations.— The various Branch and District Planters Associations with whom the Committee correspond on all matters of interest to producers are as follows:—

Membership Acreage

Assam Branch Indian Tea Association	...	2,54,040
United Planters Association of Southern India		1,47,040
Dooars Branch Indian Tea Association	...	98,583
Indian Tea Planters Association, Jalpaiguri	...	62,287
Surma Valley Branch Indian Tea Association	...	57,121
Bharatiya Cha Parishad	...	46,064
Assam Tea Planters Association	...	48,603
Darjeeling Branch Indian Tea Association	...	40,755
Surma Valley Indian Tea Planters Association	..	15,334
Terai Planters Association	...	12,364
Tripura Tea Association	...	10,846
Kangra Valley Tea Planters Association	...	9,500
Terai Indian Tea Planters Association	...	6,850
Dehra Dun Tea Planters Association	...	4,653

Consultative Committee of Tea Producer Associations.— The Consultative Committee continued to function throughout the year and held a total of 10 meetings, all of them being held in Calcutta with the exception of one which took place in Coonoor at the time of UPASI Week. All of the meetings took place under the chairmanship of the Chairman of the I.T.A. As in the past, the Consultative Committee served a useful function by enabling the employers organisations to agree on a common

policy in matters of common concern and, even where a divergence of interests made unanimity impossible, the Committee at least provided a forum in which views could be usefully exchanged. The Consultative Committee's discussions during the course of the year covered among other things the following principal subjects :—

- (1) Discussions took place with regard to a renewal of the International Tea Agreement and, although there is little positive progress to report, these discussions did enable interests in the North and the South of the country better to appreciate each other's viewpoint.
- (2) The matter of securing relief from Government, principally by way of a reduction in taxation, was discussed by the Committee on various occasions and a united approach to Government was thus facilitated.
- (3) In the early part of the season, when prices were depressed, it appeared that some degree of crop regulation might be necessary during the year and the subject was discussed by the Consultative Committee. In the event, world production fell short of the previous year, the market improved, and crop regulation did not prove necessary.
- (4) The Consultative Committee strongly advocated an intensification of propaganda both at home and overseas, and a suitable resolution on the subject—reproduced in the appendix to this Report—was adopted and forwarded to Government.
- (5) The Committee considered the question of exercising a control over the disposal of residue grades of tea and of terminating ex-factory sales of such teas.
- (6) The Committee made recommendations regarding the views which should be expressed by the industry's representatives on a Working Group appointed by Government to set targets for the tea industry under the Third Five Year Plan.

- (7) With a view to limiting the heavy expenditure in which producers are involved under the present methods of distributing samples, the Committee considered and gave their support to proposals for an amendment of the C.T.T.A. Sampling Rule which, it was hoped, would reduce losses under this head. At the time of writing, it has not in fact proved possible to have the amended sampling rule adopted.
- (8) The problem of labour bonus in North East India was repeatedly considered by the Committee in the context of the negotiations currently taking place in the Bonus Sub-Committee appointed by the Government of India. The Committee's discussions enabled the industry's representatives to agree among themselves and to present a reasonably united front throughout the greater part of these negotiations.
- (9) When minimum wages in West Bengal and Assam were increased towards the end of the year, the Consultative Committee deliberated on the attitude to be adopted by employers.
- (10) Agreement was reached in the Consultative Committee regarding the views which were to be expressed by employers when the Industrial Committee on Plantations met in Calcutta in October, and when such important subjects as wage boards, labour housing and the Code of Discipline were under debate.

The subjects enumerated above are discussed in greater detail in the appropriate sections of this Report.

Terai Planters' Association.— As members in the Terai do not have the benefit of the services of a Labour Officer the Association has since 1950 made a grant, subject to annual review, of Rs. 4,000/- a year to the Terai Planters' Association. This grant was also paid for 1959.

A tentative decision has been taken that the Terai Planters' Association should become a Branch of the Association by

amalgamation with either the Darjeeling Branch or the Douras Branch and it is expected that further developments in this connection will take place in 1960.

International Tea Agreement.— Last year's Report contained a full description of the Agreement in principle reached between Indian and Ceylon producers when, at meetings in Colombo during October, 1958, they discussed the desirability of negotiating a renewal of the International Tea Agreement. In that Report it was stated that the representatives who met in Colombo examined a draft agreement which had been prepared by the International Tea Committee; in point of fact, although this draft agreement was prepared in the office of the International Tea Committee, it was merely a tentative effort designed to assist the delegations by providing a basis for consideration and discussion but was in no sense an official document approved by the International Tea Committee.

At the conclusion of the Colombo discussions it was arranged that the Indian and Ceylon producers would further discuss the subject informally with their respective Governments with a view to ascertaining whether Governmental support would be forthcoming for a renewal of the Agreement and whether official negotiations might be opened for that purpose. After some delay, the Association was advised by the Planters Association of Ceylon, early in 1959, that the latter had been given to understand that the Government of Ceylon would support only an Agreement which obtained the signature of Indonesia, Africa and Pakistan and that they would not favour any Agreement from which advantages might be derived by non-participating countries. When the subject was discussed informally with the Government of India, confirmation was received of this attitude on the part of the Government of Ceylon and it was apparent that the Government of India was therefore not in a position to negotiate with the Ceylon Government. Nevertheless, the Association was assured that the Government of India had an open mind on the subject and would be prepared to consider the advisability of renewing the Agreement if producers in the affected countries could reach agreement among themselves and could persuade their respective Governments of the desirability of opening negotiations.

Within India itself, there was some difference of opinion between Northern and Southern interests, the Southern view being that, while there might be advantages in having machinery available for the international regulation of exports if and when the need arose, an agreement which was confined to India and Ceylon would merely work to the advantage of other producing countries, and that any effective International Agreement must therefore secure the support of all the main producing countries. The Association, on the other hand, believed that the renewal of the International Agreement was a definite necessity, that even if non-participating countries might derive advantages an Agreement between India and Ceylon would nevertheless confer great benefits on those two countries, and that such an Agreement might be expected to secure the support of other producing countries in the course of time. Prolonged correspondence and discussions took place between the Association and South Indian interests in an endeavour to reconcile these points of view and, although there is no further definite progress to report upto the end of 1959, the Association has not abandoned its hopes of negotiating a renewal of the International Tea Agreement.

Tea Control in India.— (a) *The Tea Act.* Control over the planting of tea in India and over its export from this country is exercised by the Government of India through the medium of the Tea Act, 1953.

(b) *The Licensing Committee.*—The provisions of the Tea Act in so far as they relate to tea control are enforced by the Tea Board acting through the medium of two Licensing Committees, one for North India and the other for South India. The Association's representatives on the North India Committee are Mr. C. D. Wilson of Messrs. Balmer Lawrie & Co., Ltd. and Mr. D. L. Betts of Messrs. Gillanders Arbuthnot & Co., Ltd.

(c) *Permits for replacement and extensions.*—At a meeting of the Tea Board held on the 28th November, 1959 it was decided that the validity of all permits for replacement and extensions issued during the five year period 1955-60 should be extended up to the 31st March, 1963.

(d) *Export Quota Allotment*.—On the 18th May, 1959 the Tea Board announced that the Government of India had authorised an interim release of export quota for 1959/60 equivalent to 55% of the crop basis of estates. Further interim releases each of 5% of the crop basis of estates were announced on the 26th October, 1959 and the 17th December, 1959. On last year's crop basis of 738.06 million pounds the export quota releases for 1959/60 amount to 479.74 million pounds to date.

(e) *Validity of Special Export Licences for 1958/59*.—In June the Tea Board announced that the Government of India had extended the period of validity of the 1958/59 special export licences by one month to the 30th June, 1959.

(f) *Export of dust tea without quota*.—In last year's report it was recorded that the Government of India had permitted the export of dust teas under licences which were not required to be covered by export quota rights and that such exports would be allowed up to the 31st May, 1959.

By a notification dated 21st March 1959 the Government of India extended the time limit for such exports and at present licences for the export of dust teas, which will remain valid up to the 31st May 1960, may be applied for up to the 31st March 1960.

(g) *Export of Tea Seed from India*.—As is customary, the Tea Board asked all Producer Associations in April 1959 to submit details of the amount of tea seed likely to be produced by their members during the year and also the amounts likely to be required by them for replacements and new plantings. The returns submitted by tea estates indicated that their requirements of tea seed would exceed their production and in September, 1959 the Tea Board advised that the Government of India had decided that no tea seed should be allowed to be exported from India during the financial year 1959/60.

The Tea Act 1953.— (a) *The Act*.—No amendments to the Act were made during the year under review.

(b) *The Rules under the Act*.—During the year under review two new rules Nos. 30A(3A) and 30(B) relating to the

establishment and extension of tea seed bars were added to the Tea Rules, 1954. The notification issued by the Government of India in this connection is reproduced in the Appendices to this report.

(c) *Tea Cess*.—During the year under review the rate of Tea Cess on tea exported from India was maintained at Rs. 2/- per hundred pounds or part thereof.

At a meeting of the Tea Board held in August a suggestion was made that in order to increase the income of the Board tea cess should be levied on production rather than on exports only. The proposal met with strong opposition from South Indian interests and the Association's representatives also objected because it would involve collection at tea garden level and would thus entail an increase in the outlay which producers would have to meet before they received sale proceeds. In view of the Tea Board's general support of the proposal, however, the opportunity was taken when Sir Percival Griffiths, the Chairman and the Deputy Chairman were in Delhi in December, 1959, to explain the Association's apprehensions in this matter to Mr. S. Ranganathan, Secretary to the Government of India, Ministry of Commerce with a view to ensuring that if it was decided to levy tea cess on all teas due regard would be paid to the following factors :—

- (a) That the rate of cess should if possible be reduced so that future collections from all teas equal the receipts from present collection upon export teas until such time as the balances in the Tea Fund are reduced substantially, and
- (b) that producers may be granted the right of paying the cess two or three months in arrears in order that the burden of pre-sale charges may not be increased.

The Marketing of the 1959 Crop.— (a) *Crop*.—On the basis of the monthly crop returns submitted by Agency Houses the 1959 tea crop in North East India has been estimated by the Association's Statistical Department at 557,960,415 lbs. as com-

pared with the revised estimate of 555,809,792 lbs. for 1958 which indicates an increase in production of 0.39%.

(b) *Export Quota Allotment.*—On the 18th May, 1959 the Tea Board announced that the Government of India had authorised an interim release of export quota for 1959/60 equivalent to 55% of the crop basis of estates. On an estimated crop basis of 738.06 million lbs. this release was equivalent to 405.93 million lbs.

In October the Government of India released a further 5% of the crop basis making the total release 442.84 million lbs. In December there was a further release of 5% of the crop basis equivalent to 36.90 lbs. This increased the quantity issued to 479.74 lbs.

(c) *Calcutta Auctions.*—As in the previous year, the 1958 crop was disposed off by the end of April and, with the exception of a small quantity of dust teas which had to be carried forward into the new season, there was therefore a gap of several weeks between the conclusion of the old season's sales and the commencement of the new season. In line with practice during recent years, two special sales for Darjeeling teas were held on 20th May and 3rd June, and the first sale of the season covering teas from all districts took place on 8th June. By the end of the year, 25 sales had been held.

During the early part of the season demand was slight, with prices appreciably lower than during the same sales in 1958, and consequently there were a number of withdrawals. From the latter part of July however prices improved and demand remained generally strong until the end of the year. With the exception of one sale in November which had to be postponed because of Sales Tax difficulties, the sales therefore proceeded smoothly and on the whole there was no great weight of withdrawals. Prices for Darjeeling teas, unfortunately were lower than in the previous season, and although Russian buyers purchased almost the same quantity of Darjeeling teas as in 1958 they were much more discriminating in their purchases. As has happened in the past, the general rise in the prices of common teas resulted in some reduction in prices for the better qualities with a closing of the "concertina" between common and quality prices.

By the end of the year, a total of 1,418,105 chests had been offered as against 1,324,935 at the end of 1958.

(d) *Internal*.—Offerings in the internal auctions consisted mainly of stalky and fibrous secondary grades which were unsuitable for export. Upto the end of the year offerings had amounted to only 17,525 chests as against 35,215 during 1958, at an average price of Rs. 1.85 against Rs. 1.64 during the previous year.

(e) *Dust Grades*.—There was a good demand for dust grades throughout the season, with black grainy dusts keenly sought after on behalf of the Middle East, and with considerable interest also shown in medium Assam and Dooars dusts. By the end of the year 458,177 chests had been sold at an average price of Rs. 2.05 as against 434,033 at an average price of Rs. 1.99 during 1958.

(f) *Quality*.—Although 1959 was not an outstanding year for quality, there was ample evidence that producers in all districts were generally making a strong effort to maintain high standards of plucking and careful manufacture. Because of unfavourable climatic conditions, first and second flush teas from Darjeeling were disappointing, but standards during the rains were above average, as they were also in the remainder of West Bengal and in the Assam Valley. Cachar, unfortunately, did not have a good season from the climatic point of view and was barely able to maintain average standards, with first and second flush teas being particularly disappointing. Throughout North East India the production of autumnal teas was most disappointing because of widespread rain late in the season and the consequently early onset of the cold weather.

The Tea Industry in the Third Five Year Plan.—Early in the year the Government of India constituted a Working Group to undertake studies relating to the tea industry for the purpose of preparing production and development targets for the Third Five Year Plan. The Association's Calcutta Adviser (replaced towards the end of the year by the Deputy Chairman) was nominated by Government as a member of this Working Group. When the Group held its first meeting in New Delhi in August, discussion was concerned mainly with the fixation of a production target, and initially the Government representatives were

anxious that an all-India target of 1,000 million pounds should be set for the year 1965. The industry's representatives, on the other hand, took the view that there would be no point in a large increase in production if the tea could not be profitably sold, and they urged therefore that the primary aim should be to expand markets, that adequate production would undoubtedly be forthcoming to meet any increase in demand, and that, if a definite production target must be set, 800 million pounds would be a more realistic figure. Discussion of a production target was resumed when the Working Group met again in Calcutta on 23rd December and at this meeting agreement was reached to recommend a target of 850 million pounds. The Working Group also discussed the unemployment situation in the tea districts and agreed to recommend that the P.W.D. and Railway Authorities should employ surplus tea garden labour on works in the neighbourhood of tea gardens instead of importing labour from other States, and that surplus tea garden labour should have a prior claim on the settlement of any lands that Government might requisition from the tea industry. Finally, the Working Group agreed on the desirability of Government formulating loan and subsidy schemes to assist tea estates in undertaking replanting or extensions and in renovating their machinery. Although these matters have been agreed to in principle, the Working Group's recommendations have not yet been actually finalised and a further meeting has still to be held for that purpose.

Tea Promotion.— The matter of propaganda for Indian tea engaged a considerable amount of the Association's attention during the year, and in particular it received continuous attention from the Tea Board's *Ad Hoc* Committee on Tea Promotion, on which the Association is represented by its Chairman and Deputy Chairman. At the beginning of the year, following talks with the Deputy Minister for Commerce and Industry, the Association submitted a memorandum to the Government of India enunciating its views on the various aspects of promotion work: in the United Kingdom, the Association pointed out, very active propaganda was being conducted on behalf of Ceylon teas, whereas Indian teas were completely unpublicised and there was consequently a pressing need for a campaign specifically designed to focus public attention on Indian teas: in

America, although there might be doubts about the results of the campaigns operated there, India was already too deeply committed to withdraw from the Tea Council of America, such withdrawal might merely benefit Ceylon in the same way as had occurred in the United Kingdom, and at the most the Association could only recommend that Government might review the basis on which the various producing countries subscribed to the costs of the Tea Council; while, as regards internal propaganda, the Association was of the opinion that an active and effective promotion campaign was necessary in order to increase internal consumption and thus improve the prospects for common teas, and it was confident that the industry's productive capacity was adequate to meet any expansion in internal demand that might arise.

These matters continued to be represented to Government from time to time and in June the Government of India advised during the course of informal discussions that arrangements were being made for a survey of the U.K. market to be undertaken by a leading firm of advertising agents. Despite this intention however, it appeared to the industry that the propaganda effort remained insufficiently vigorous and effective, and at the end of July the Consultative Committee of Tea Producer Associations therefore adopted and forwarded to Government a resolution in the following terms:—

“We, the undernoted Associations representing tea producers throughout India, desire to urge upon Government the essential and urgent need for developing a vigorous propaganda campaign to promote the internal consumption of tea within India. With the steadily increasing production of tea in India and the continuing surplus of production over international demand, common tea producers are undergoing a severe financial depression for which the only sound and longterm remedy lies in an increased offtake by the potentially enormous but as yet largely undeveloped internal market which exists in India. We therefore consider that the maximum amount of available finance, including subventions from the accumulated Tea Cess Fund which was specifically built up for this purpose, should be devoted to developing the internal

demand for tea and, with that object, we urge that Government should adopt effective means of propaganda mainly through an intensification of field work, the adoption of the recommendations which were made in this regard by Sir Percival Griffiths at the beginning of 1957, and through such other means as may be considered suitable to obtain effective response.

In the interests of promoting exports and maintaining India's competitive position in relation to other tea producing countries, we also wish to represent to Government the need for active propaganda overseas, particularly in the United Kingdom, Western Europe, and the American Continent. In the United Kingdom, Ceylon continues to conduct a vigorous propaganda campaign which keeps her teas constantly before the public mind, whereas propaganda on behalf of India's teas is practically non-existent; while in Western Europe there exists a large market which can be developed to India's great advantage by effective propaganda campaigns.

We consider that an intensification of propaganda both at home and abroad is essential to preserve the economic health of the Tea Industry and all who depend on it, and to enable it to retain its position as the foremost earner of foreign exchange. We appeal to Government to sanction the necessary financial expenditure and to initiate vigorous and effective action without delay.

Indian Tea Association

Indian Tea Planters Association.

Assam Tea Planters Association.

Bharatiya Cha Parishad.

Surma Valley Indian Tea Planters Association

Tripura Tea Association.

Teraí Indian Planters Association.

United Planters Association of Southern India

Tea Association of India."

At the time of writing, it is understood that the U. K. market survey has been completed but no information is available regarding its contents or Government's intentions with regard to it. At the same time, internal propaganda still gives cause for dissatisfaction and no action has been taken yet to adopt the recommendations on this subject which were made by Sir Percival Griffiths, at Government's request, over two years ago. In these circumstances, the Consultative Committee are contemplating further approaches to Government.

Quality of Indian Tea : Destruction of Tea waste and sub-standard Teas.— In order to maintain the strictest control over the quality of North Indian tea and to reduce opportunities for adulteration, the Committee of the Association throughout the year made the following recommendations:—

- (1) All tea waste and sub-standard teas should be destroyed.
- (2) Tea issued and sold locally should be of a standard fit for sale in the Calcutta auctions. If there is doubt about whether any particular teas comply with this standard, samples should be sent to Calcutta for expert examination and certification.

The Committee of the Association asked members to strictly implement these recommendations and to ensure their enforcement.

Relief for the Tea Industry.— *1. General.*—Last year's report described the strenuous efforts the Association made to obtain from Government financial relief for the tea industry, principally by means of a reduction in taxation, and the concessions Government made during the latter part of 1958 by way of a revision of the Excise and Export Duties and the Tea Export Cess. These concessions were undoubtedly valuable but unfortunately their net effect was only marginal in the face of the serious economic difficulties facing large sections of the industry, notably the common tea producers and the Darjeeling district. At the commencement of 1959 it appeared that during the coming season the world might again be faced with a surplus of tea production, particularly of the common varieties, and the

Association found itself obliged to consider a further campaign for the grant of fiscal concessions to the most hardpressed sections of the industry, namely Cachar and Darjeeling and the common tea producers of the Dooars.

During the early part of the year the subject was discussed informally with representatives of the Government of India, who indicated that Government were indisposed to make any immediate change in the fiscal pattern and wished to wait for about 6 or 7 months in order to assess the effect of the concessions they had granted towards the end of 1958. The early months of the new season were distinctly unpromising, with Indian teas fetching substantially lower prices than during the previous season and exports showing a serious decline. At the beginning of August therefore the industry, acting through the medium of the Consultative Committee of Tea Producer Associations, was constrained to submit a further memorandum to the Government of India. This memorandum showed that during 1958 almost one-third of 209 companies whose working results were available had shown a loss, while of those who had avoided losses many had done so only by sacrificing expenditure which was essential for future productivity; up to the third week in July 1959 the average prices obtained by teas in the Calcutta auctions were approximately 40 nP per pound less than the average for the same period in 1958; and—although too much importance should not be attached to short-term fluctuations in the volume of exports—only 148 million lbs. of tea had been exported from India during the first six months of 1959 as compared with 189 million lbs. during the first six months of 1958. The Consultative Committee therefore submitted that there was a strong case for an immediate reduction in the Export Duty or even for its abolition for an indefinite period, and further that the Carriage Tax imposed by the Government of Assam and the Octroi imposed by the Government of West Bengal should be immediately withdrawn. The Committee also asked that the price of fertilisers supplied to the tea industry should be reduced to the level of those supplied to other agricultural industries.

Government were slow to move, and to some extent their inaction appeared to be justified during the next month or two

when, in the context of an overall reduction in world output caused by climatic factors and a steadily maintained demand, prices in world markets showed a distinct improvement. For the remainder of the season, the market remained generally firm, with common teas in particular achieving better prices than had been their lot in recent years. For the industry as a whole therefore, the need for financial concessions was not so desperate as it had been earlier in the season; Government consequently took no action to grant relief; and, with the minor exceptions noted below in respect of Cachar, the taxation structure remained unchanged throughout the year.

2. *West Bengal.* - As in the past, the case for financial relief has remained particularly strong in West Bengal in respect of both the common tea producers of the Dooars and Terai and the high cost producers of Darjeeling. In the earlier part of the season, prospects of the industry in West Bengal were extremely unpromising and its case for assistance was therefore vigorously represented to the Government of West Bengal. At the beginning of April, the situation was discussed at a tri-partite meeting at which Government, the employers and labour were all represented but, despite a clear exposition of the industry's economic difficulties, neither Government nor labour were disposed to make concessions and the meeting was completely infructuous. Thereafter, the position in West Bengal seriously deteriorated insofar as any question of relief or assistance from Government was concerned, for--as is described in detail in the appropriate section of this Report--the Government of West Bengal, far from giving help, imposed further grievous burdens on the industry by notifying an increase in the minimum wage which was justified by neither the industry's capacity to pay nor the need for protecting labour against any supposed rise in the cost of living. Moreover, at a time when it might have proved possible to negotiate the joint withdrawal of the Assam Carriage Tax and the West Bengal Octroi, the Government of West Bengal set their face against any surrender of the revenue derived from this source and completely thwarted the possibility of successful negotiations. In short, the West Bengal tea industry's ability to maintain its economic viability during 1959 has been due to a purely for-

tuitous improvement in market conditions and has been achieved in the face of Government hindrance rather than help.

3. *Cachar*.—The need for relief and assistance is most acute in Cachar, which for many years has been the most depressed of the tea growing areas in North East India, and early in 1959 matters came to a head in this district when, following several years unprofitable working the largest group of estates in the district was faced with the immediate necessity of achieving substantial economies in order to maintain its solvency. The situation was discussed at length with the Government of Assam, who initially at least made no move to grant much needed relief, and with representatives of the Labour Unions who, after hearing the company's case and the drastic economies which had been effected in costs of management, declined to make any sacrifice by accepting a short working week or a lay-off or by agreeing to a wage cut. In these circumstances, the group concerned had no option but to announce on 18th February that, on all but two of its gardens, the labour would be laid off for a period of 45 days. In fact, owing to the early opening of the new season, the lay-off lasted on the great majority of the estates for only 30 days. In the meantime, conversations were continued with the Assam Government, who still refrained from any positive act of assistance and merely referred a dispute arising out of the lay off to an Industrial Tribunal. In these conversations the Industry's most pressing request was for the withdrawal from Cachar teas of the Assam Carriage Tax and the West Bengal Octroi, and in the latter connection suitable approaches were made to the Government of West Bengal, principally to the Chief Minister. It was evident however that neither State was willing to take the lead in sacrificing revenue, and the difficulty of arranging joint discussions with the Governments of Assam and West Bengal and the Centre prevented progress being made with a proposal that the two State taxes should be withdrawn in their entirety and the State Governments reimbursed by subventions from a suitably increased central excise, which would not however be leviable on Cachar teas.

Prolonged representations to the Governments of Assam and West Bengal having proved abortive, in May the Associ-

on submitted a fresh memorandum to the Government of Assam regarding the need for special relief for Cachar. Cachar, was explained, was capable under present circumstances of producing only the common varieties of tea, of which an excess existed in world markets with consequently depressed prices, and with their high costs of production and low output most states in Cachar were finding it increasingly difficult to maintain their solvency. The Association, therefore, asked that the Assam Carriage Tax should be immediately suspended insofar as it applied to Cachar teas, that arrangements should be made with all possible speed for the complete withdrawal of this Tax and of the West Bengal Octroi from Cachar teas, that labour costs should be reduced by temporarily suspending the employers' contribution to the Assam Provident Fund, and that the numerous labour claims in Cachar which were currently pending before Tribunals should be withdrawn. This written representation was followed by further discussions with Ministers of the Government of Assam and eventually, towards the middle of June, the Finance Minister agreed that collection of the Carriage Tax on Cachar teas for the second quarter of the year, ending on 30th June, should be suspended; subsequently this concession was extended to cover the third quarter also, so that—since the tax only becomes payable three months after the end of the quarter to which it relates—Cachar teas, though still legally liable to pay the Tax did not in fact have to deposit money throughout the remainder of the year. A further meeting with the Chief Minister of Assam was held later in June and was attended by the Association's Vice-Chairman, the Chairman of the Surma Valley Branch, the Shillong Adviser and representatives of other producing interests in Cachar. On that occasion the Chief Minister declined to go beyond the temporary suspension of the collection of the Carriage Tax to which he had already agreed and indicated that joint discussions between the two State Governments and the Centre would be necessary before any complete withdrawal of the Assam Carriage Tax and the West Bengal Octroi could be considered; he also suggested that the Association should make an approach to the Centre, through the Tea Board, for the grant of special assistance to Cachar in the way of subsidies on fertilisers and freight rates.

Acting on the Chief Minister's suggestion, the Association then made appropriate representations to the Tea Board, the question of subsidising fertilisers and freight rates having in fact already been considered by the Board and accepted in principle several months previously. In the meantime, a lead was given to the Government by the announcement by the Joint Steamer Companies of a reduction of 2½% in their rates for the carriage of tea from Cachar to Calcutta, with corresponding reductions in the rates on foodgrains and flour from Calcutta to Cachar. Eventually it was not until November that a scheme for subsidising fertilisers and freight rates was announced by the Tea Board in a Circular which is reproduced in the appendices to this Report. The fertiliser subsidy amounted to Rs. 122 per ton on fertilisers supplied to estates in Cachar of 300 acres or less, while the freight subsidy amounted to Rs. 1.58 per maund on railway freight and 61 nP per maund on river freight, with the river subsidy applying to teas consigned by the rail-cum-river route. These subsidies, though welcome, were considered inadequate by the Association and representations were made to the Tea Board for an extension of the fertiliser subsidy to all Cachar estates, irrespective of their size, and for an increase in the river freight subsidy to a level more in consonance with that available on railway freight. Up to the time of writing however no decision has been announced in reply to these representations. In December the Tea Board also announced special facilities for the grant of Government loans to Cachar estates for the repair, replacement and renovation of machinery on marginal estates which were capable of being rendered economic by such assistance; the Circular announcing this loan scheme is also reproduced in the appendices. At the time of writing, it is still too early to judge whether or not these loans will in fact be of substantial assistance to Cachar and, although at first sight the scheme seems likely to be of only limited usefulness in view of the fact that the total amount available for loans is only Rs. 5 lakhs and that the maximum an estate can receive is Rs. 70,000, indications have been given by Government that the scheme may be extended if it proves successful.

To a limited extent therefore Cachar received assistance during 1959 through the temporary suspension of collections of the Assam Carriage Tax, the grant of subsidies on fertilisers

and freight rates by the Central Government, and the offer of loans for the renovation or replacement of machinery by the Central Government. More substantial relief has been afforded by the general improvement in market conditions which took place during the latter part of the year. But the tea industry's prospects in Cachar remain fraught with the most serious dangers.

Industrial Committee on Plantations.—The Ninth Session of the Industrial Committee on Plantations was held in Calcutta on 23rd and 24th October under the chairmanship of Shri G. L. Nanda, the Minister for Labour, Government of India. For this meeting the Association was allowed to nominate three delegates, each of whom would be accompanied by an adviser, and it was accordingly represented by Mr. D. L. Betts, Mr. J. L. Llewellyn and Mr. R. R. L. Pennell as delegates, with Mr. G. A. Verinder, Mr. T. J. Hardingham and Mr. R. J. H. MacGeagh as advisers. Prior to the meeting of the Industrial Committee, the various employing interests concerted their views and agreed on common policies at a meeting of the Consultative Committee of Tea Producer Associations held on 22nd October. The principal subjects considered by the Industrial Committee and the main decisions taken were as follows :—

- (1) *Wage Board*.—The Industry accepted the Central Government's proposal that a Wage Board should be constituted to consider wages in the tea industry. It was agreed that the Board should be constituted in two sections—one for the North and one for the South—with a common Chairman, and the employers' representatives made it clear that, in adjudicating on wages, it should take all relevant factors into consideration, including capacity to pay and work loads. The Labour Minister also emphasised that, until such time as the Wage Board had completed its deliberations, there should be no further agitation for increased wages beyond the claim in Assam which was already under negotiation.
- (2) *Housing*.—The employers' representatives strongly defended the tea industry's record in the matter of housing construction in the face of ill-informed and

unjustified criticism, and the Industrial Committee eventually decided that the Central Government should examine the various schemes available for providing finance for the construction of houses and that a special body should be appointed to deal with applications for exemption from the housing liability. It was also made clear during the course of discussion that, once an estate had constructed houses for all of its workers, it would no longer be required to go on building at the rate of 8% each year as required under the Plantation Labour Act.

- (3) *Code of Discipline*.—It was agreed that the Code of Discipline should be applied to the plantation industry, with the modification that the clause relating to strikes should require at least 7 days' notice to be given.
- (4) *Unemployment*.—The Industrial Committee appointed a Special Sub-Committee to consider this problem. Despite pressure, the employers' representatives declined to give any absolute assurance that the industry would automatically fill all vacancies which arose.

The main decisions of the Industrial Committee, as embodied in an official note, are reproduced in an appendix to this Report.

Standing Labour Committee for Tea Plantations in Assam.—

The Assam Standing Labour Committee for Tea Plantations held a meeting in Shillong on 22nd and 23rd September and this was attended by the Association's Chairman and Deputy Chairman, the Chairman and Secretary of the Assam Branch, the Chairman of the Surma Valley Branch and the Shillong Adviser. The meeting unfortunately commenced its deliberations under the shadow of a strike notice issued by the Assam Branch of the INTUC, the strike being declared on the grounds that the bonus problem had not been settled and that the tea industry in Assam was not paying rice cut compensation. In the Association's opinion the strike notice was completely unjustified, since the bonus issue was under negotiation and no previous approach had been made by labour with regard to

rice and compensation, and it did not seem to the Association's representatives that labour affairs could be profitably discussed while the industry was labouring under a threat of this nature. At the commencement of the meeting therefore the Association's representatives, with the support of other employing interests, proposed that it be adjourned and thereafter the entire first day of the meeting was spent in debates as to the justification of the strike notice and in endeavours to persuade the labour representatives to withdraw it. For their part, the labour representatives took the stand that they were prepared to postpone the date of the strike but that only the Working Committee of the INTUC was empowered to withdraw the strike completely. They indicated their willingness however to postpone the strike and at the same time to call a meeting of the Working Committee as quickly as possible with a view to having the strike notice completely withdrawn. Eventually, when proceedings were resumed on the second day, the employers' representatives agreed to continue with the deliberations of the Standing Labour Committee on the assurance that the labour representatives would take prompt action to endeavour to have the strike notice withdrawn, and on the understanding that the subjects discussed at the meeting would be considered without reference to the threat of a strike and that the Committee's deliberations would not influence the Working Committee in deciding whether or not to withdraw the strike notice. The main subjects discussed by the Standing Labour Committee were as follows:

Minimum Wages.—The INTUC having submitted a demand for an increase in the minimum wage, it was agreed that this would be discussed bilaterally and that at the same time Government would constitute a Minimum Wages Advisory Committee in order to give statutory effect to any agreement that might be reached in the course of the bilateral negotiations. The negotiations and the decisions arrived at are dealt with at greater length in another section of this Report.

Supply of Rations to Dependents. In response to Union complaints that foodgrain rations were not being issued to all dependents, the Association's representatives stated that the industry was prepared to issue rations only to genuine dependents but it was necessary for the "family" to be defined. The Industry did not object to old parents and invalid adults but

it objected to supporting persons who were fully able to work. The labour representatives also complained of the recruitment of labour from outside the State when there were very large numbers of unemployed dependants available locally. Against this the Association's representatives pointed to the immobility of labour and the unwillingness of unemployed persons to move to places where employment was available. They also explained that recruitment from outside the State had amounted to only 6,000 persons during the past year and that, because of the greatly reduced scale of its activities, consideration was being given to the termination of the Tea District Labour Association.

Supply of Firewood.—As a result of a complaint by labour that firewood was not being made available on all estates, it was decided to constitute a Bipartite Committee to enquire into the subject.

Pension. In reply to a labour claim for the constitution of a pension scheme, the industry's representatives argued that the industry could not afford additional retirement benefits beyond what was already granted, and it was eventually decided that the Assam Provident Fund Authorities should be consulted as to the possibility of a pension scheme being constituted out of Provident Fund accumulations.

Rice Cut Compensation.—As explained in the section of this Report dealing with minimum wages, the labour subsequently agreed to waive their demands for the continued payment of rice cut compensation as part of the general wage settlement.

Employment of Contract Labour.—Following rather vague complaints from the labour representatives about the employment of contract labour, it was decided to constitute a Special Committee to examine the extent to which contract labour was necessary and was in fact employed and to submit recommendations regarding the future use of contract labour.

Workers' Participation in Management.—It was explained in last year's Report that the Association accepted the Government of India's decision to introduce Joint Councils of Manage-

ment as an experiment in selected units in various large-scale industries and that as a result joint councils were appointed on the Panitola and Sonabheel tea estates in the Assam Valley. It was also intended that similar experiments should be instituted in the Dooars and Cachar, but initially great difficulty was encountered in selecting estates in these districts where conditions were conducive to the success of the experiment. During 1959 a Joint Council was instituted on an estate in the Dooars in the membership of the Indian Tea Planters Association, while in Cachar there was an interesting experiment in associating workers in management when two abandoned tea estates were taken over and run by the labour. In view of these developments, it did not prove necessary for the Association to extend the experiment of Joint Councils beyond the two estates already chosen in the Assam Valley.

On Panitola and Sonabheel the Joint Councils of Management functioned smoothly and met regularly throughout the year. In general, the Joint Councils performed a useful function in providing a medium for explaining to the workers' representatives the general economic situation of the industry and of the estates concerned, as also the operations and development programmes of the estates; they gave the workers' representatives opportunities of making suggestions for minor improvements in the interest of the comfort and convenience of the labour force, such as the fencing of roads, provision of sheltered accommodation etc.; they facilitated joint discussions about welfare amenities such as restrooms, canteens and sportsfields; and they assisted in the efficient maintenance of the workers' housing accommodation. On the other hand, the Joint Councils are still very much in the nature of an experiment whose success cannot be fully assessed at the present stage, and whose usefulness has been limited by difficulty in securing the interest of workers, and obtaining sufficient subjects for discussion at meetings and in ensuring that matters relating to the economy of estates and to managerial policy were properly understood by the workers' representatives.

Code of Discipline.— The Code of Discipline was evolved by the Government of India in 1957 as a means of securing industrial peace by defining the rights and responsibilities of

labour and employers and prescribing sanctions which would ensure the observance of those rights and responsibilities. At a meeting of the Indian Labour Conference held in 1958, the Code was accepted in principle by the all-India organisations representing both employers and labour.

Initially it appeared to the Association that the Code would require some slight modification to adapt it to the special conditions prevailing on plantations, and during 1958 agreement on suitable amendments was reached by a Special Sub-Committee appointed by the Industrial Committee on Plantations. Unfortunately, these amendments were never formally accepted by the Government of India, and during 1959 the industry came under some pressure to accept the Code in the form adopted by the Indian Labour Conference. At the same time, other employing interests in North East India found from experience that in certain respects the Code was ambiguous and capable of misinterpretation, and that its acceptance was liable to misuse by labour organisations for their own purposes. Accordingly, an attempt was made to secure a number of amendments to the Code which included those previously recommended for the tea industry by the Sub-Committee of the Industrial Committee on Plantations. At State level, however, these amendments were unacceptable to representatives of the Labour Unions; on the all-India level the Employers Federation was unwilling to press for amendments in case such a move merely encouraged counter-demands from labour; and when the Indian Labour Conference met again in Madras during July it re-affirmed the need for adopting the Code without amendment.

The position of the tea industry in relation to the Code was discussed again at a meeting of the Industrial Committee on Plantations held in Calcutta towards the end of October and it was then agreed that the Code should be accepted by the plantation industry with the single amendment that the section dealing with strikes should provide for at least 7 days' notice. The Code of Discipline is accordingly now applicable to the tea industry and is reproduced in the appendices to this Report.

Clerical and Medical Staff Dearness Allowance in Assam.—

At the end of 1958 the negotiations, which had taken place with the I.N.T.U.C. in connection with the Union's demand for

an increase in the rates of dearness allowance paid to the clerical and medical staff and artisans in Assam, had led to the Association making the following offer to the Union:—

- (a) Dearness allowance to be increased by the equivalent of 6% of basic pay subject to a minimum increase of either Rs. 8/- or 10% of basic pay whichever was less.
- (b) The increase to be effective from the 1st September, 1958.
- (c) The Union to agree to there being no further increase in dearness allowance unless and until the official cost of living index remained continuously over 115 points for 6 months and the Association similarly to agree to there being no decrease in dearness allowance unless and until the cost of living index remained under 103 points continuously for 6 months.

The offer was not found acceptable by the Union who then put forward the suggestion that the dearness allowance should be increased from the 1st March 1958 by 8% with a minimum of Rs. 8/- applicable not only to clerical staff but also to all artisans. The Association regretted its inability to accept these modifications but, after further correspondence, a settlement was reached at the end of July 1959 on the following basis:

- (a) There should be an increase in the dearness allowance for clerical and medical staff and artisans on estates within the Assam Branch of the Indian Tea Association of 6% of basic pay, subject to a minimum increase of Rs. 8/- or 10% of basic pay, whichever is less.
- (b) This increase should have retrospective effect from the 1st June 1958.
- (c) There should be no further change until the cost of living Index maintained by the Government either rises above 115 or falls below 103 for a continuous period of six months. If the index should fall below 103, only the proposed increase will be effected under this agreement.

In accepting this settlement the INTUC expressed its disappointment about the 10% limit which would apply in practice chiefly to "C" grade artisans whose basic pay was less than Rs. 80/- and expressed the hope that it would be reconsidered. The Association, however, was of the opinion that the settlement was fair and required no reconsideration. The revised rates of dearness allowance were accordingly given effect to from the 1st June, 1958.

Clerical Staff Bonus in Cachar.— In last year's report it was recorded that no agreement could be reached on the dispute in Cachar over the payment of bonus to the clerical staff for the years 1953 and 1954 and that it had been decided that the proceedings before the Industrial Tribunal should be allowed to take their course.

The hearings commenced on the 29th August, 1959 and continued for two days. On the third day a settlement was reached between the Branch and the Union and settlement petitions were filed before the Tribunal on behalf of employers and employees which read as follows:—

"For the sake of industrial peace, the management of tea gardens mentioned in the Schedule annexed hereto of the one part and their workmen represented by the Indian Tea Employees' Union of the other part have agreed to settle the dispute, being the subject matter of the above Reference, as follows:—

1. All members of the Clerical and Medical Staff employed as such in 1953 and 1954 and also all workmen, who were in employment in 1953 and 1954 and who have not received bonus for 1953 and 1954 under and/or pursuant to the Delhi Agreement referred to in paragraph 8 of the Written Statement on behalf of the Workmen filed in the above Reference, will receive Bonus of an additional one month's basic wage as on the 1st January, 1955, for each of the years 1953 and 1954 PROVIDED THAT

(a) This agreement does not in any way relate to any workman who has already received Bonus under and/or pursuant to the said Delhi Agreement

(b) The benefits under this agreement will be available only to those workmen who were in employment during the whole of each of the years 1953 and 1954 and those workmen who had worked only a part of any of the said years 1953 and 1954 will be entitled to receive additional Bonus as aforesaid on a *pro-rata* basis.

(c) Those employees, who had, in accordance with the practice of payment of Profit Bonus, been paid more than one month's basic salary in respect of each of the years 1953 and 1954 shall be paid in respect of those years one more month's basic salary as Special Profit Bonus.

(d) Monies payable under this agreement to workmen entitled thereto will be payable at such time or times as may be decided by the Secretary, I.T.A. Surma Valley Branch, in consultation with the parties hereto.

(e) Payment will be made to the Indian Tea Employees' Union and a receipt from the Union will be a valid discharge.

2. This agreement is without prejudice to the rights and contentions of the parties and, in particular, the contentions of the Management regarding the nature of Bonus paid by the Management before or about the Puja time and regarding the category and/or the rights of workmen who do not belong to the Clerical and Medical Staff and who have not received any Bonus under the said Delhi Agreement.
3. This agreement will not create any precedent of any kind.

The dispute was disposed of by the Tribunal on the basis of the petitions.

Puja Bonus in Cachar.— In a notification dated the 31st August 1959 the Government of Assam referred to an Industrial Tribunal a dispute between the managements and workmen of twenty-five gardens in Cachar regarding the payment of Puja Bonus for the years 1956, 1957 and 1958 to the clerical medical and artisan staff. The Tribunal asked the parties to submit their

written statements by the 27th January, 1960 but the Branch requested an extension of time up to the 15th February, 1960.

Clerical Staff Housing in Assam.— In last year's report it was recorded that the Chief Inspector of Plantations, Assam had asked the Association to furnish him with suggestions along with ground plans for staff houses to be provided under the Assam Plantations Labour Rules.

The Association considered that it was undesirable to lay down rigid specifications for staff houses and that it would be preferable for detailed specifications, including the dimensions of individual rooms, to be left to local decision. For the purposes of the Plantation Labour Rules all that appeared necessary was to prescribe the floor areas of 1000 sq. ft. and 750 sq. ft. which had been agreed upon at the meeting of the Housing Advisory Board held in September 1958, as the minimum floor areas for houses for head clerks and junior clerks respectively.

This view was not however found acceptable by the Chief Inspector of Plantations who in a letter dated the 8th December 1959 asked for the Association's views on the following minimum specifications which Government proposed to prescribe for staff houses:—

Room	Type A for Senior Staff		Type B	
	Size	Area	Size	Area
Bed Room—1	16' × 13'	208 sq. ft.	14' × 12'	168 sq. ft.
Bed Room—2	12' × 13'	156 „ „	12' × 12'	144 „ „
Sitting Room	12' × 12'	144 „ „	10' × 12'	120 „ „
Guest Room	10' × 12'	120 „ „	10' × 12'	120 „ „
Bath Room	8' × 7½'	60 „ „	7½' × 6'	45 „ „
Verandah	6' × 12'	72 „ „	10' × 6'	60 „ „
Store Room	8' × 8'	64 „ „	8' × 6'	48 „ „
Passage	4' × 8'	32 „ „	6' × 4'	24 „ „
Kitchen-cum-Dining Room	12' × 12'	144 „ „	12' × 10'	120 „ „
Total plinth area—	'A'	1,000 „ „	'B'	846 „ „

Although the plinth areas proposed differed from those which the Association considered adequate it was decided not to re-open this question. Objection, however, was taken to the detailed specifications which were considered unsatisfactory in certain respects and the Shillong Adviser was asked to bring the following points to the attention of the Chief Inspector with a view to having the defects removed before the specifications were formally prescribed by law:—

- (1) It was doubtful whether houses of the prescribed specifications could be built with the standard size of building materials and it was suggested that this aspect should be re-examined by Government.
- (2) It should be made clear that the houses proposed were for clerical and medical staff and *not* for artisans.
- (3) The division of the house into a large number of rooms would almost certainly increase costs and might also be unacceptable to the staff concerned who had their own ideas as to the best disposition of living space. It was considered therefore that it would be better to specify the total plinth area and to leave it to managements to plan the details of the houses on the basis of their experience and of the wishes of their employees.
- (4) It should be made clear that where pucca staff quarters had already been constructed there would be no question of replacing them with others which conform with any new specifications that may be promulgated.

Industrial Disputes in Cachar: Pension cum Gratuity.—

During 1957 and 1958 the Assam Government had referred several cases to the Industrial Tribunal which involved the demand by the Unions for the payment to certain retired employees of pensions and gratuities. Pensions were claimed at the rate of half a month's pay and gratuities at the rate of two months' wages for every completed year of service. These cases were all heard during the year and in an award which was published in the Assam Gazette of the 29th July 1959 the Tribunal came to the conclusion that both in law and on facts the claims for gratuity and/or pension could not be allowed.

Minimum Wages.— The year 1959 witnessed a most unfortunate series of increases in the minimum wages for tea garden labour in North East India—increases which were not justified by the economic circumstances of the case and could be ill-afforded by the industry, but which were nevertheless statutorily enforced by the State Governments largely for political reasons. The course of events leading to the grant of these increases was as follows :—

1. *Dooars and Terai*

For several years it has been the practice of the Labour Unions in West Bengal to present an annual charter of demands backed by the threat of a strike during the plucking season in the event of the demands not being conceded; and in 1959 this usual pattern was adopted when, early in April, the West Bengal Chah Sramik Union adopted a charter of demands at its Annual General Meeting and submitted it to the Association along with the threat of a strike to be declared at some date after the 1st of July. The remaining Unions in West Bengal very promptly followed suit. Although the charters which were thus presented were fairly lengthy documents, the main items related to demands for an increase in the minimum wage and for a guarantee that the level of employment would not be reduced and employment would be offered to workers' dependants. The Association's representatives in the first instance discussed the demands with the Regional Labour Commissioner and thereafter a number of tripartite meetings were held in his office during June and July. On the question of wages, the Association was most opposed to any increase; it pointed out that the existing minimum wage had been fixed on a fair basis after Government had carried out a thorough enquiry, that there had been no rise in the cost of living index since that time which would justify a further increase, and that nevertheless the industry in the Dooars and Terai had since 1955 been paying a wage which was three annas per day more than the notified minimum wage. At present, the Government of West Bengal had before them a report by the Minimum Wages Advisory Committee for the Dooars and Terai in which the Chairman of that Committee recommended a 1 anna increase in the minimum wage—a proposal from which both sides dissented, labour because they

considered it too low and the employers because they regarded it as completely unjustified. The Association did not accept labour's claim that in the tea industry the workers' requirements should be based on a family of three consumption units, since it was the normal practice for other members as well as the head of the family to be employed, and it did not admit that there had been any reduction in the level of employment since the minimum wage was last fixed. On these grounds, the Association considered that no increase was either necessary or justified, but it was prepared to continue to pay the additional 3 annas over and above the minimum wage which had been in force since 1955. As regards the employment of dependants, the Association could not guarantee that work would be offered to all dependants but it was prepared to give an assurance that preference would be given to dependants when vacancies were being filled. Finally, the Association accepted in principle the desirability of abolishing the hazri-doubli system and was prepared to negotiate with the Unions on this subject.

During June and July the conciliation proceedings conducted by the Labour Commissioner proved infructuous, and eventually on 15th July the Association received a notice from the Unions announcing their intention of declaring a strike as from 10th August. The Association thereupon proposed that both sides should seek the intervention of Mr. G. L. Nanda, the Central Labour Minister, who had on an earlier occasion offered his assistance in dealing with the industry's labour problems, but the Unions declined to withdraw their strike notice unless they were granted an interim increase of 2 annas in the minimum wage. In the face of this adamant attitude, the Association then presented a written statement of its case to the West Bengal Labour Minister and Chief Minister, and the case was further amplified in personal discussions with the former. At the same time, the Labour Minister was conducting separate discussions with the Labour Unions and the Association was given to understand that the threatened strike on 10th August had been postponed pending the completion of these negotiations. From reports which were published in the Press, it became apparent that Government were contemplating the grant of an increase of 2 annas per day in the minimum wage, and the Association thereupon renewed its protests against such

action and took advantage of a visit to New Delhi by the Chairman and the Calcutta Adviser to impress upon the Central Government the serious effects which such a wage increase would have on the tea industry in West Bengal. The Association's protests were ineffective however and by a notification dated 20th August 1959—which was received only very belatedly on 1st September—an increase was effected in the minimum wages for the Dooars and Terai. A copy of this notification is reproduced in the appendices to this Report.

Apart from its general objections to any wage increase whatsoever, the Association, whose opinion was supported by Counsel, considered that the notification of 20th August was defective in two respects. In the first place, it sought to make the new wage rates retrospectively effective from 1st June, 1959, a procedure which the Association was advised was illegal. Secondly, the notification also granted an increase in the salaries of clerical, medical and subordinate staff, although the wages of these personnel had never been fixed by notification in the past, they varied from garden to garden, and they were invariably considerably higher than the notified minimum wage. Since the Association was satisfied that in both these respects Government were acting illegally, it advised its members that they should give effect to the new wage rates for daily paid labour as from 31st August, 1959, and in the meantime it continued negotiations with the Unions which had already been commenced for revised pay scales for clerical staff in the Dooars. At the same time, the Association submitted an application to the Calcutta High Court under the terms of Article 226 of the Constitution and, when the application was heard on 17th September, it succeeded in obtaining an interim stay order restraining Government from giving effect to the two impugned sections of the notification. At the time of writing, this stay order is still in force and the case has not been argued yet before the High Court.

The Association also took objection to that part of the minimum wage notification which required that, in the event of the cost of living index altering by 20 points, the rate of dearness allowance would be correspondingly altered at the rate of

a 2 nP variation for every variation of 1 point in the cost of living index. Although this clause was not immediately relevant and did not appear to involve any illegality, it had never been discussed during the negotiations leading up to the issue of the notification, and the Association considered that the proposed variations in the rate of dearness allowance were excessive, would involve compensating labour for changes in the cost of living at about double the amount actually involved, and would impose a crushing burden which the industry was not in a position to bear. The Association accordingly protested to the Government of West Bengal against this part of the notification and submitted a memorandum, a copy of which is reproduced in the appendices, proposing that for the Dooars and Terai compensation should be at the rate of 1 nP for every 1 point alteration in the cost of living index and for Darjeeling at the rate of 3 nP for every 4 point alteration in the index. Government have not as yet announced any final decision on these representations.

2. *Darjeeling*

The negotiations described above regarding minimum wages in the Dooars and Terai also covered the position of Darjeeling, where in April 1959 the Unions submitted demands, backed by a strike threat, similar to those made for the plains districts. Darjeeling differed from the plains however in that, while Government already had before them a report by a Minimum Wages Advisory Committee on wages in the latter areas, a similar Committee which had been appointed for Darjeeling was still deliberating and had not yet submitted any report. Moreover, it was admitted on all hands that estates in the Darjeeling area constituted the most precariously situated section of the West Bengal tea Industry. In these circumstances, Government did not promulgate any wage increase for Darjeeling at the same time as that for the Dooars and Terai but gave an assurance that the Darjeeling Minimum Wages Advisory Committee would be asked to conclude its deliberations as quickly as possible and that a decision would thereafter be promptly announced - an assurance on the basis of which the Darjeeling Unions agreed to refrain from going on strike.

Accordingly, the Minimum Wages Advisory Committee met in Darjeeling on 21st, 22nd and 23rd September and at these sessions the labour representatives pressed their demand for a similar increase of 2 annas per day in the Darjeeling minimum wage. The Association naturally resisted this demand, pointing out that the increase in the Darjeeling cost of living index had been negligible and that there was a serious danger of any further increase in wages in that area driving many concerns into bankruptcy. Nevertheless it was clear that, in the face of the increase already notified for the Dooars and Terai, some kind of increase would have to be granted in Darjeeling also, and the Association's representatives therefore concentrated on limiting the increase as far as this was possible. Eventually by the third day of the meeting, agreement had been reached in principle on the fixation of new minimum wage rates of Rs. 1.45 for men (an increase of 8 nP.), Rs. 1.40 for women (an increase of 9 nP.) and 80 nP. for working minors (an increase of 5 nP.). Although this settled the main issue however, agreement could not be reached on the date from which the increases should be effective, the employers' representatives being prepared to pay the new wages from 28th September and the Unions demanding payment from 26th September. On this exceedingly minor difference of opinion, the meeting broke up without reaching final agreement. The Association thereupon submitted a fresh memorandum to the Government of West Bengal restating the financial limitations affecting Darjeeling estates by reason of their difficult economic position but nevertheless expressing willingness to pay increased minimum wages at the rates specified above provided they were not given retrospective effect; this memorandum is reproduced in the appendices to this Report. On this occasion the Association's representations were accepted, possibly because of the success which had attended the application which the Association made to the Supreme Court in the case of the Dooars and Terai, and the revised wage rates were embodied in a Government notification of 28th September, effective from the date of notification. The notification is reproduced in the appendices.

At the meeting of the Minimum Wages Advisory Committee, the Association's representatives had indicated their

willingness to grant increases to clerical, medical and subordinate staff corresponding to those proposed for daily paid labour. This apparently was accepted, the official notification made no mention of these employees, and appropriate wage increases have since been introduced.

3. *Assam Valley*

Not unnaturally the success which attended labour's agitation in West Bengal induced the Unions in Assam to demand a wage increase also, and it had no sooner become apparent from Press reports that the Government of West Bengal were preparing to grant an increase of 2 annas in the minimum wage than a notice was received from the Assam Branch of the INTUC demanding that the minimum wage for daily paid labour should be increased by 25 nP. per day and for monthly paid staff by Rs. 8 per month. It appeared to the Committee of the Association that, having regard to the increase ordered in West Bengal, a corresponding wage increase in the Assam Valley was practically inevitable, for not only was the industry in Assam generally more prosperous than in West Bengal but the cost of living in Assam had shown a more distinct increase and labour in Assam had to pay more for foodgrains than their counterparts in West Bengal. Accordingly, the Committee came to the conclusion that the Association's best policy would be to try to limit the amount of the increase which had to be granted, to endeavour to secure concessions from labour in return for a wage increase, and to have any agreement which was reached by bi-partite discussion embodied in an official notification which would give statutory effect to the wage rate and prevent further demands.

In view of these considerations bi-partite negotiations with the INTUC representatives were commenced when the Assam Standing Labour Committee met in Shillong on 22nd and 23rd September and were resumed when the Industrial Committee on Plantations met in Calcutta the following month. Complete agreement did not prove possible during these discussions, but the views of either side were clarified and it was agreed that the Government of Assam would constitute a Minimum Wages

Advisory Committee with a view to reaching a settlement. This Advisory Committee, on which the Association was represented by the Chairman, accordingly met in Shillong on 16th November under the chairmanship of the Assam Labour Minister and eventually agreement was reached on a general increase of 20 nP per day in the minimum wage for adults, with half this amount for minors. In North Lakhimpur, the increase amounted to 26 nP however, since this district was now transferred to Zone 3 for the purposes of minimum wage fixation. In return, labour agreed that they would withdraw their claims for the continued payment of rice cut compensation and that there would be no further demand for a wage increase pending the completion of enquiries by the Wage Board for the tea industry which it had been decided to constitute at the recent meeting of the Industrial Committee on Plantations. The increased minimum wages were to be effective from 1st December, 1959 and were embodied in a Government of Assam notification dated 24th November, a copy of which is reproduced in the appendices to this Report.

4. Cachar

When the Assam Minimum Wages Advisory Committee met in Shillong on 16th November, a demand was made for a wage increase in Cachar also, but was not discussed in detail because of the absence of representatives from Cachar. Briefly, the Cachar Unions demanded that that district should also receive a wage increase similar to those granted in West Bengal and the Assam Valley, while the employers maintained that the precarious economic position of the tea industry in Cachar made it clear that any increase in the Wage Bill would drive many concerns out of existence. Since the meeting in Shillong, both sides have submitted written statements of their case to the Government of Assam who have decided that the position in Cachar should be studied by a separate Advisory Committee. At the time of writing however this Committee has not met yet and the claim is still sub-judice.

Sickness Allowance.— In view of the increase in the minimum wages in the Assam Valley the Branch recommended that

with effect from the 1st December, 1959 sickness allowance should be paid at the following rates:—

	Male	Female	Child (working)
Nowgong. Kamrup. Goalpara	1.17	1.13	.59
Darrang. N. Lakhimpur Sub-Division	1.21	1.13	.59
Dibrugarh Sub-Division. Sibsagar	1.26	1.17	.61

Maternity Benefits:— (a) *West Bengal.*—The West Bengal Maternity Benefit (Tea Estates) Amendment Act 1959 was published in the Calcutta Gazette Extraordinary on the 27th April 1959 and came into force on that date. Its effect was to increase the rate of maternity benefit payable to tea garden labour from Rs. 5/4 per week to Rs. 7 - per week.

(b) *Assam.*—Rule 78 of the Assam Plantations Labour Rules prescribes the payment of maternity benefits for twelve weeks at 11 annas 6 pies per day plus conversion allowance. During the year consideration was given to the question of whether or not a higher rate of benefit should be given to female staff such as nurses and midwives whose emoluments were higher than the minimum wage.

Some companies in the past had granted nurses and midwives their normal salary when on maternity leave but other companies had offered to pay only the statutory allowance. This anomalous position was considered by the Assam Branch and it was agreed that nurses and midwives should be given a maternity allowance in keeping with their pay and status and that the statutory allowance due to such employees should be made up to a sum equal to half their basic pay and dearness allowance plus their full servant allowance.

Provident Fund.— A. *West Bengal.*—Throughout 1959 the tea industry in West Bengal continued to be governed by the Employees' Provident Fund Scheme, 1952, and no major

amendments were effected in either the Scheme or the enabling legislation under which it was framed. When the Scheme had been first applied to the tea industry, however, it had covered only factory labour and—because of the haste with which the Scheme was initially introduced, doubts as to its precise coverage, the absence of official forms and returns etc.—it had not been possible during the early stages for many estates to deposit their Provident Fund contributions with Government. Consequent upon these delayed contributions, Government proposed at the beginning of 1959 to resort to their power of levying damages on those employers who had been guilty of delay. The Association took the matter up with Government and, after explaining the circumstances which had caused the delays and the reasons for their being beyond the control of managements, it eventually prevailed on Government to waive the claim for damages and, in cases where the delay had not extended beyond March, 1959, to levy only interest on the contributions at the rate of $3\frac{1}{2}\%$ to $3\frac{3}{4}\%$.

Unfortunately, although the Employees' Provident Fund Scheme has now been applicable to the tea industry for some considerable time and has not recently been subject to any major amendments, its day-to-day administration continued to cause serious dissatisfaction throughout the year. The Association received numerous complaints from estate managements and from its West Bengal Branches, the main defects reported being as follows :—

- (1) Managements still experienced delay in obtaining the official forms necessary for the functioning of the scheme. The Association repeatedly reported this complaint to the Regional Provident Fund Commissioner, who explained that he was endeavouring to arrange for larger quantities of forms to be kept in stock and made available, and asked that managements should indent for adequate supplies in sufficient time. It is thought that the supply of these forms has now possibly shown some improvement.
- (2) Great difficulty was experienced in making payment of Provident Fund accumulations to Nepali workers

who left their jobs and returned to their homes in Nepal, the trouble being caused by the fact that the accounts cannot be closed until some time after the worker has terminated his employment and remittances to Nepal are not possible because Indian money orders are not encashable in that country. It is understood that the Government of India are in the course of negotiation with the Government of Nepal with a view to arranging remittance facilities, but it seems certain that the conclusion of these negotiations will take some considerable time. The Association represented the matter repeatedly to the Regional Provident Fund Commissioner, who announced towards the end of the year that arrangements have been made for monies on account of Provident Fund dues to be remitted through the Indian Embassy in Kathmandu. To some extent this represents an improvement on the previous situation, but is still far from satisfactory since many ex-workers have their homes at long distances from Kathmandu.

- (3) Great delay also occurred in the payment of the accumulations of deceased workers to their heirs and, again, the Association repeatedly represented the matter to the Regional Commissioner both in correspondence and in personal discussions. The difficulty usually arises from the fact that the nomination forms have not been completed or not been correctly completed, and the Regional Commissioner has issued instructions regarding the detailed procedure which should be followed in this regard and these have been distributed among managements.

Because of the widespread complaints regarding delay in the payment of accumulations, particularly in the case of workers returning to Nepal and deceased workers, the Association towards the end of the year suggested to Government that, because of the special circumstances prevailing in the relatively remote tea districts, the Provident Fund authorities should adopt the very successful practice which is in force under the Assam Tea Plantations Provident Fund Scheme and which

provides that the accumulations of an ex-worker may be promptly paid out on the authority of the estate manager and of a member of the Primary Committee which has been constituted on every estate, and that the payment may thereafter be deducted from the next remittance of Provident Fund contributions into the Government Treasury. This proposal is still under discussion with Government.

The Employees' Provident Fund Scheme provides *inter alia* that the cash value of food concessions shall be included in the assessment of wages for the purpose of calculating Provident Fund contributions and, in the absence of a Government decision on the subject, estates in West Bengal have been following the Association's valuation of food concessions since the Provident Fund Scheme was introduced. In March 1959 the Regional Provident Fund Commissioner issued a circular prescribing the cash values which should be adopted for this purpose but on examination these valuations were clearly shown to be inflated and, on the Association pointing this out to the Regional Commissioner, he agreed to withdraw his circular pending further negotiation. Thereafter, the Association discussed the subject with the Regional Commissioner and also with the Labour Commissioner, West Bengal, and eventually agreement was reached on the following valuations, which have since been embodied in circulars issued by the Regional Commissioner:

1.

Dooars

(a) Adult worker	12 nP. per day
(b) Children or adolescent	8 nP. per day
(c) Clerical and medical staff	Rs. 5.15 per month
(d) Monthly paid labour	Rs. 3.00 per month

Hill gardens of Darjeeling area

(a) Adult worker	7 nP. per day
(b) Children or adolescent	5 nP. per day
(c) Clerical and medical staff	Rs. 3.00 per month
(d) Monthly paid labour	Rs. 2.00 per month

(In respect of weekly paid staff the above rate is to be multiplied by 6 instead of by 7).

B. Assam

One result of the amendment of the Assam Tea Plantations Provident Fund Scheme Act which became effective as from 1st July, 1958 was that the coverage of the Provident Fund Scheme was extended to workers earning up to Rs. 500 per month, and large numbers of employees thus chose to exercise the option of being transferred to the Government scheme from private company schemes of which they had hitherto been members. This meant that the assets standing to their credit in the company schemes had likewise to be transferred to the Government scheme and prolonged discussions were necessary before final decisions could be taken about the manner of these transfers. In the interval, estates which had not yet transferred the necessary assets were faced with the problem of how accumulations should be paid to employees who left their service ; the Board of Trustees of the Government scheme agreed that this situation should be met by paying ex-employees in accordance with the Rules of the Government scheme and by taking two receipts for the payment, the first covering accumulations up to 30th June, 1958 and the other accumulations thereafter.

The actual manner of transfer of accumulations from private funds to the Government scheme raised the problem of ensuring that neither the employees who transferred to the Government scheme nor those who remained members of private Funds suffered any loss from the transaction, and the Association suggested—and the Board of Trustees agreed—that the principle to be followed should be to transfer the amount which would have been payable to the employee concerned had he been retrenched on 30th June, 1958. In April, 1959 the Board instructed estates to transfer to the credit of the Government scheme those portions of the accumulations of transferred employees which were still held in cash, while at the same time the Association was asked for its views as to how securities should be valued for the purpose of transferring that portion of accumulations represented by investments. Although, owing to the differing accounting practices followed by different company Provident Funds, it was difficult to recommend any uniform procedure which would be fair to all concerned, it seemed to the Association that the most equitable procedure

would be for the Government scheme to accept securities at their market value, and this procedure was accordingly recommended to the Board of Trustees and accepted by them. At the beginning of October, the Board accordingly instructed that securities on account of transferred accumulations should be made over to them at their market value not later than 30th November, with the additional instruction that estates which retained accumulations in the form of cash after June, 1959 would be required to pay interest on this cash when transferring it to the Government scheme. It was also agreed that, if transferred employees were dissatisfied with the amounts which were transferred to their accounts in the Government scheme, the matter would be considered as constituting an industrial dispute, the Association has not heard of any such disputes however.

In October the Board of Trustees also adopted revised rules governing the grant of advances from the Tea Plantations Provident Fund; a copy of these revised rules is reproduced in the appendices to this Report. Earlier in the year the Board had fixed a rate of 3% interest as being payable on Provident Fund accumulations for the year 1957/58. At the October meeting, the Board reviewed the administration costs of the Fund. Since 1958 these costs had been met out of an administration charge of 3% of contributions levied on employers, but the Fund had in fact incurred a deficit on its costs of administration and the Board therefore decided that in future the administrative charge should be increased to 4%.

Labour Bonus.— It was explained in last year's Report that, the Delhi Agreement on labour bonus having come to an end with the year 1956, the Government of India in June, 1958 appointed a special Bonus Sub-Committee, under the Chairmanship of the Regional Labour Commissioner, to consider bonus arrangements for 1957 and subsequent years. The Association was initially represented on this Sub-Committee by Mr. L. T. Carmichael, the then Chairman, who was replaced however by Mr. D. L. Betts when the latter assumed the Chairmanship of the Association in March, 1959. The Chairman accordingly attended all the meetings of the Bonus Sub-Committee and was accompanied by the Deputy Chairman or

during the period when the latter was on leave from the end of April to the beginning of September, by the Calcutta Adviser.

Two meetings of the Bonus Sub-Committee were held in 1958 but, apart from clarifying the attitude adopted by each side, they made little progress towards reaching an agreement. By the beginning of 1959 however the employers were fairly clear in their minds as to the form they wished future bonus arrangements to take and, working through the medium of the Consultative Committee of Producer Associations, a wide measure of agreement was reached among the producing interests. By the middle of February it was thus possible to embody the employers' proposals in a draft agreement which was forwarded to the Regional Labour Commissioner for distribution among the labour representatives. Briefly, this draft provided that the basic bonus in each area should be the average of the bonus paid for the years 1953 to 1956 and that in future years the bonus payable should bear the same relation to this basic bonus as the profits for the year in question bore to the average profits of the years 1953 to 1956. Other clauses in the draft agreement provided that no bonus would be payable in a year of loss, that the entitlements of individual workers should be based on their attendance during the plucking season, and—largely on the insistence of the other Producer Associations—that in calculating profits for bonus purposes provision should be made for a prior return of 7% on paid up capital and 5% on working capital. It was proposed that the Bonus Agreement should be valid for 5 years, commencing in 1957.

Thereafter, a long series of sessions of the Bonus Sub-Committee took place during the next 6 months, meetings being held in Calcutta on 2nd and 3rd March and 2nd and 3rd April, in Shillong on 30th April and 1st May, and in Calcutta again on 14th May, 8th June, 25th June and 4th September. Throughout these meetings, the employers' representatives took their stand on the draft agreement which they had already submitted but, without departing from the basic principles involved, were at all times prepared to make reasonable concessions to labour. Unfortunately, the labour representatives for their part put forward demands which were quite unacceptable to the industry. The general desire on the part

of labour was that they should not be worse off under any new agreement than under the previous Delhi Agreement and this wish was expressed in the totally unacceptable demand that all companies should pay a guaranteed minimum bonus, irrespective of whether they had made a profit or loss. The labour representatives also put forward the impracticable suggestion that the profits of all companies should be pooled for the purpose of paying a standard bonus and the West Bengal Unions, who were apprehensive that the employers' proposals would result in very small bonuses in the case of unprosperous companies, were anxious either that a fixed percentage of profits should be set aside for distribution as bonus or that a flat, uniform bonus should be paid by all companies. These demands could not be accepted by the employers' representatives, who at various times during the meetings however offered certain alternative concessions. At one stage the employers were prepared to waive the provision for a return on capital in respect of the year 1957, provided that this waiver did not prejudice the basic principle of allowing a return on capital and that such a provision would be made in future years; from this concession there developed a proposal that a reservation of profits for the purpose of providing a return on capital should be made only after the payment of a bonus of Rs. 10; and the employers' representatives also agreed that, for the purposes of calculating the basic bonus for each area, the three bonuses already paid should be treated as covering the three years 1954 to 1956 rather than the four years 1953 to 1956.

Despite these concessions, it proved impossible to reconcile the views of the employers and of labour and, when the Bonus Sub-Committee met in Calcutta on 4th September, the labour representatives therefore asked if some interim payment could be made on account. Although the Association had hitherto been opposed to any interim settlement or on account payment, the employers agreed to consider this request but, before any decision could be taken a notice was received from the Assam Branch of the INTUC announcing that, owing to the failure to reach a settlement of the bonus issue, the labour would go on strike as from 26th September. In the face of the dead-lock which had now been reached, the Association approached the Central Government with a suggestion that, since the views

hitherto expressed had proved irreconcilable and since both sides felt that any further concession on their part might be treated as a sign of weakness, the Government of India might now consider intervening and suggesting a *via media*. Thereafter, further conversations took place with labour representatives on the occasion of the meeting of the Assam Standing Labour Committee which was held in Shillong on 22nd and 23rd September and the INTUC agreed to withdraw its strike notice in order to allow negotiations to continue. On the withdrawal of the strike notice, the Association recommended to its members that they should make an interim payment of Rs. 10 in the Assam Valley and Rs. 5 in West Bengal (with half of these amounts for working minors), these advances to be recovered from any future bonus that might be agreed on. A further meeting of the Bonus Sub-Committee was then convened by the Government of India in New Delhi on 5th and 6th October, but again the meeting was infructuous, and the employers did not find it possible to accept a suggestion from Government that, to meet labour's demand for the payment of bonus in years of loss, the industry might adopt the practice which had been introduced by the Ahmedabad Bonus Agreement of paying advances in years of loss or of marginal profits, the advances being recoverable from bonuses paid in future more prosperous years.

The negotiations were finally brought to the point of conclusion when, on the occasion of a meeting of the Industrial Committee on Plantations being held in Calcutta on 23rd and 24th October, a further meeting of the Bonus Sub-Committee took place at which the Central Labour Minister, Mr. G. L. Nanda, was present. Both sides reiterated their views with regard to bonus payments, and the Association's representatives explained the impracticability of any system of pooling profits and their inability to agree to pay bonus in years of loss. Mr. Nanda concluded the meeting by stating that, if the two sides could not come to any other mutually acceptable settlement, the Delhi Agreement would have to be continued for a further period. Since results of many companies for 1958 had now been published and made it clear that in certain instances bonus paid under the terms of the Delhi Agreement for that year would be very low (no bonus would be payable at all in the Doerst),

this meant that in practice labour had very little alternative but to accept the arrangement on the lines of the agreement originally proposed by the Association, i.e. an agreement on the lines of that described at the beginning of this section but with the omission of any reservation of profits for a return of capital, and with the basic bonus averaged over three instead of four years. There was also however the question of whether bonus should be based on the working results of individual companies or on the area prosperity formula which had been applicable under the Delhi Agreement, and the Unions were given time to consider which of these two alternatives they would prefer. Eventually, the Assam Unions chose company results and an Agreement was signed with the Assam Branch of the INTUC on 28th October; the West Bengal Unions, having in practice little option in view of the fact that a calculation based on area prosperity would yield no bonus in the Dooars for 1958, chose similarly and with them an agreement was signed on 28th November. These two Agreements are reproduced in the appendices to this Report. Subsequently, the Association suggested to the INTUC that clause 2(iii) of the Assam Agreement was defective in that, where a company had estates in both West Bengal and Assam, the liability to pay bonus would depend on the company's working results as a whole, and that it would be preferable for the working results in Assam alone to be adopted as the criteria. This view was accepted by the Union and the following new clause was accordingly added to the Agreement :—

“Where, in addition to estates within Assam, a company has estates outside Assam, then the company's results in Assam shall be the results for the purpose of calculating bonus.”

Unfortunately, unanimity was not maintained among the employing interests to the very end, and when the industry at the last moment was faced with the Labour Minister's proposal that, in the absence of a mutually acceptable alternative, the Delhi Agreement should be continued, the Assam Tea Planters' Association and the Bharatiya Cha Parishad considered it preferable to enter into a separate agreement on their own in respect of the interests they represented in Assam. Under this

Agreement, the members of these two organisations undertook to pay a minimum bonus of Rs. 10 per head, the payment in years of loss being treated as an advance which would be recoverable from future bonuses.

The Agreements into which the Association entered cover the years 1957 and 1958. Further negotiations will be necessary for 1959 and subsequent years; the Bonus Sub-Committee is continuing in existence in order to carry through these negotiations; and, at the time of writing the Association has urged on Government that the Sub-Committee should proceed with its discussions with the minimum of delay.

Housing.— During the year under review the Industry came in for criticism for alleged failure to implement the housing programme according to the scale laid down in the Plantations Labour Act.

In West Bengal the Labour Minister after a tour of the tea districts in May 1959 expressed himself as "not satisfied with the progress in respect of the phased housing programme." The Association in a written reply to the Minister denied the allegation that tea gardens in North Bengal were not keeping to schedule in the matter of housing and pointed out that despite difficulties connected with finance and the availability of building materials some 12,131 houses had been built or adapted to the standard specifications from 1956, when the Plantations Labour Act was brought into force, up to the end of 1958 by reporting tea gardens representing 60% of the Association's membership in West Bengal, against the twelve-year target of 57,872 houses. This represented a percentage of 21.07 of the target and clearly indicated that Government's criticism was unwarranted.

In Assam tea gardens, which applied for exemption from implementing their housing programmes, were subjected to the most stringent scrutiny of their financial positions. Government strongly criticising the payment of dividends and expenditure on factory machinery.

In view of these criticisms and Government's apparent insistence that the target of 8% per annum for housing should be maintained at all costs even to the extent of allowing the

condition of the property itself to decline, consideration is being given to the question of whether Government should be asked to revise the target to a more reasonable figure taking into account the other building commitments imposed on tea gardens by the Plantations Labour Act.

Tea Garden Schools in Assam.— In a notification dated the 10th March 1959 the Government of Assam brought into force from that date Rules 52 to 57A of the Assam Plantations Labour Rules relating to the provision of education facilities on tea gardens. Under these rules tea gardens are required to maintain primary schools, in which instruction has to be imparted in accordance with a prescribed curriculum. The prescribed curriculum was supplied to the Association by Government and copies were issued to members in Assam under circular letter No. 51 of the 11th May, 1959.

Under Rule 57A the Government of Assam set up an Education Advisory Board of 16 members, on which the Association was allowed one seat. This seat was filled by the Chairman of the Assam Branch Indian Tea Association. The first meeting of this Board was held on the 1st August, 1959 at which preliminary discussions took place. A second meeting was held on the 24th September 1959 when it was agreed that—

- (i) the curriculum laid down by the Basic Education Board should be introduced on all tea garden schools with immediate effect.
- (ii) Government should arrange for the regular inspection of the schools and strengthen the Inspectorate under the Regional Boards.
- (iii) recruitment of teachers for tea garden schools would be carried out in consultation with the Deputy Inspector of Schools. A census of unqualified teachers would be made and a scheme of training would be arranged.
- (iv) Managing Committees, on which one representative of the staff would be appointed, would be established for all schools.

- (v) the Education Advisory Board would be kept advised of progress in implementing these recommendations.
- (vi) the designation "C" class schools would not apply any longer to tea garden schools which would be allowed to send candidates up for scholarship examinations.

These decisions were communicated to members of the Association in Assam in circular letter No. 155 of the 2nd December 1959.

Supply of Firewood for Labour.— At a meeting of the Assam Standing Labour Committee held in Shillong in September 1958 a discussion took place on the subject of firewood supplies and it was recognised that it was the employer's responsibility to make available to labour a sufficient supply, although in some instances estates might not have a sufficiency available on their own properties. The employers' representatives were therefore asked to consult all managements with a view to ascertaining whether firewood supplies were adequate on their properties and, if not, to considering the possibility of planting out additional supplies and making provision from outside until the fuel trees reached maturity.

An enquiry was accordingly addressed to members and from the replies received it appeared that firewood was generally made available to labour on member estates. In many cases this consisted of prunings and uprooting and lopping of tea bushes and shade trees. In some instances firewood was available from fuel nurseries and in other instances from the surrounding jungle areas. A number of gardens had been incurring expenditure on the development and improvement of forest areas but some had no land available for afforestation. This information was passed on to the Assam Government but at the 14th Session of the Assam Standing Labour Committee held in September 1959 the labour representatives continued to insist that gardens were not making firewood available to labour. They stated that they had no objection to uprooted tea bushes or to shade trees, but the fuel supply should be in reasonable proximity to the labourer's lines. They asked for one cartload per month per family to be in the form of logs. As no satisfactory solution could be arrived at regarding the quantities to be made available

it was eventually agreed that a Committee should be set up consisting of a representative of the Assam Branch and of the INTUC which would examine the quantity required by the family and the method of distribution.

Medical Treatment.— At a meeting of the Assam Medical Advisory Board held in September 1958 a recommendation had been made that where workers suffering from illness could not in the opinion of the Principal Medical Officers receive adequate treatment on the garden, employers should be under the obligation to send them to suitable hospitals within the State of Assam. This matter continued to engage the attention of the Association during 1959 and a circular was prepared for issue to members of the Assam Branch. Since this contained a list of suitable hospitals, it was considered that the list should first be approved by the Chief Inspector of Plantations and the Shillong Adviser accordingly referred the list to him. The Chief Inspector's reply is however still awaited.

Medical Services on Tea Estates.—Under the Plantation Labour Rules tea gardens are required to submit periodical returns showing the progress being made by them in the matter of providing medical facilities for their labour. The standards reached by members at the 30th June 1959 are recorded for information:—

		Members Standards as at 30-6-59	Plantation Labour Rules Standards
		Per thousand Workers	
Hospital Beds	...	26.13	15.00
Dpctors	...	1.38	0.57
Midwives	...	1.38	0.57
Nurses	...	1.68	1.43
Compounders	...	1.30	0.57
Anti-Malaria/Health Assistants		0.68	0.48

Labour Relations.— In 1959, 56 strikes were reported from member gardens as compared with 29 in 1958. In 45 of these instances the stoppage of work lasted not more than one day

while in 2 cases only the strikes continued for more than 5 days. The number of man-days lost fell from 1,67,136 in 1958 to 68,316. The loss of production was estimated at 4,702 maunds of tea against a loss of 10,712 maunds of tea in 1958. A brief analysis of the statistics in respect of each district is given in the following paragraphs in which for the purposes of comparison the corresponding figures for 1958 are shown in brackets.

In the Assam Valley 22(11) strikes occurred involving 16,537 (7,908) workers; 34,228 (18,726) man-days were lost with a loss in wages of Rs. 53,376 (Rs. 31,141). Production losses amounted to 2,352 (957) maunds.

In Cachar there were 2(3) strikes. The number of workers involved totalled 1,167(502) and the man-days lost were 905 (1,047). The loss in wages amounted to Rs. 1,040 (Rs. 1,480). Production losses amounted to 46(59) maunds.

In the Dooars there were 14(5) strikes involving 25,516 (109,735) workers. The number of man-days lost was 24,363 (111,117) and the wages lost amounted to Rs. 42,813 (Rs. 185,456). The loss in production amounted to 1,935 (6,616) maunds.

In Darjeeling 18(10) strikes took place in 1959 involving 7,175 (4,814) workers. The number of man-days lost amounted to 8,820 (36,186) while the loss in wages was estimated at Rs. 11,094 (Rs. 81,510). The loss in production amounted to 370 (3,080) maunds.

Labour Welfare—Assam : (i) *Rowriah Welfare Training Centre.* Two training courses were held at the Rowriah Welfare Training Centre during 1959 and Agency Houses were asked to provide candidates from the gardens under their control as usual.

In last years' report it was recorded that owing to the difficulties being experienced by Agency Houses in finding suitable candidates for the courses, an enquiry was being made by the Assam Branch into the organisation and functioning of the Centre. The Branch report indicated that a new Principal had been appointed for the Centre, and that it was proposed to introduce a new curriculum, which gave promise of improved

results. In the circumstances the Committee agreed that Agency Houses should continue to support the courses.

(ii) *Mazengah Training Centre for Women*.—One course was held at the Mazengah Training Centre by the Kasturba Gandhi National Memorial Trust during 1959 and Agency houses were asked to provide twelve candidates from gardens under their control.

Discharge of the Working Members of a dismissed worker's family.— In last year's report it was recorded that a Private member's Bill had been introduced in the West Bengal Assembly which was designed to prohibit the eviction of the families of tea garden workers on the dismissal of the worker. The Bill, however, was rejected by the Assembly, on the Labour Minister giving an assurance that he would convene a tripartite conference to consider this problem. In pursuance of this assurance a conference was convened on the 20th October 1959 by the Labour Minister and was attended by the Calcutta Adviser on the Association's behalf. No agreement could be reached at this meeting because the labour representatives were not prepared to agree that dismissed employees should necessarily leave the estate.

Lay off and Retrenchment in Cachar.— In the Association's report for 1957 it was recorded that the Government of Assam at the Union's request had amended the terms of reference of the Tribunal, which had been asked to adjudicate on the dispute as to whether Cachar gardens had been justified in laying off and retrenching workers during 1952, to include the question of the liability for compensation irrespective of whether the retrenchment and lay off was justified or not.

It was the opinion of the Association's solicitors that this amendment invalidated the order of reference but the Association felt that no action should be taken to challenge the adjudication proceedings on those grounds and that this aspect of the matter should only be considered later if an appeal became necessary to the High Court. An individual company, however, appealed to the High Court regarding the validity of the reference but the Court rejected the plea. The Tribunal thereafter proceeded to hear the cases and in an award which was pub-

lished in the Assam Gazette Extraordinary of the 13th January 1960 held that the action taken by the managements was justified and that no compensation need be paid.

Plucking rates strike in 1955 : Industrial Tribunal.— In the Association's report for 1956 it was recorded that the Government of Assam had referred the dispute, which had arisen regarding the payment of wages for the period during which workers in certain gardens in Zones 1 and 2 had been on strike following the introduction of revised plucking rates in the Assam Valley in 1955, to an Industrial Tribunal.

The Tribunal gave its award at the end of 1958 and ruled that the strikes were justified in all but one case, where it was pronounced illegal on a technicality. In view of this finding and taking into consideration that both employers and workers had lost money due to the strike, the Tribunal ordered that the workers should be paid 50% of their wages for the strike period. The award was accepted by the Association, but the Union submitted a petition under Article 226 of the Constitution of India to the Assam High Court appealing against the decision of the Tribunal to allow only 50% of pay and asked the High Court to direct that full pay be granted. The High Court, however, dismissed the Union's appeal.

Assam Minimum Wages Rules : Proposed Amendments.—

In a notification dated the 21st October 1959 the Government of Assam published for comments draft amendments to the Assam Minimum Wages Rules 1952, which consisted essentially of the extracts required to be published on the notice board at the place of employment. There were certain objectionable features in the draft and the Shillong Adviser drew Government's attention to the following points:—

In Paragraph 4 of the draft reference had been made to a day of rest with pay in every 7 days. It was explained that the Association had, when the Minimum Wages Rules had first been circulated in draft form in 1951, pointed out that the phraseology used was likely to cause confusion, since in the case of the Tea Industry the wage for a 6-day working week was arrived at by taking into account the wage requirements of the day of rest.

In paragraph 5 "Fines and deductions" it was laid down that the employer should explain personally and also in writing the act of omission in respect of which a fine was being imposed. This procedure, it was pointed out, appeared unnecessary and went further than the requirements of the Payment of Wages Act or the Standing Orders under the Industrial Employment (Standing Orders) Rules, 1947. It was suggested that either a personal demand for an explanation or a request in writing should be sufficient.

Paragraph 6 "Maintenance of registers and records" provided for the introduction of a new Form IVA, for the issue of wage slips and for the recording of the signature or thumb impression of every person employed. It was pointed out that the new Form would cause needless duplication of work, since companies maintained their records in different forms on the advice of experts in accountancy. While it was not unreasonable that the information which was to be provided in the form should be available, it was suggested that companies should be allowed some latitude to determine in what form it would be exhibited. As regards wages slips and thumb impressions it was pointed out that the Association had objected to this feature in 1951 and that Government had apparently accepted the Association's views. There had never been any trouble in the Tea Industry over payments which were made in the open in the presence of workers. The registers were always open to inspection if there were any complaints. In the circumstances it was suggested that the existing system should be allowed to continue. If Government wished to change the system it would be more appropriate to amend the substantive provisions of the rules rather than to secure the change through the inclusion of new provisions in the abstract.

The rules have not yet been finalised.

Plantations Labour Act: (a) *Leave with wages*—Under Section 30 of the Plantations Labour Act every adult worker earns one day of leave for every 20 days of work performed and a young person or child one day for every fifteen days of work performed.

At the 12th Session of the Assam Standing Labour Committee it was agreed that when a full day's work was not performed by a worker "leave entitlement should be calculated proportionately to the work performed". It was also accepted that in cases where workers were forced to leave work on account of genuine illness, managements would be sympathetic and take the day into account when calculating leave entitlement.

To give effect to this agreement, the Assam Branch decided that, when calculating leave entitlement, less than half a day's work performed should not count at all but that half a day or more should count as one day.

In the Surma Valley it was decided that in the case of adults entitlement should be calculated by adding up the Dearness Allowance earned in a year and dividing the total by 620 nP. (daily D. A. 31 nP. \times 20 days).

(b) *Weekly Holiday for Essential Services personnel on Tea Plantations.*—In a notification dated the 23rd December 1958 the Government of West Bengal exempted employees of tea plantations employed in running the following essential services from the provisions of section 20 of the Plantations Labour Act:—

- (1) Electricity Supply.
- (2) Water Supply.
- (3) Loading and Unloading of tea.
- (4) Hospital.
- (5) Telephones.
- (6) Watch and Ward.

This exemption was subject to the condition that no such personnel should be required to work on a weekly day of rest or a closed holiday unless he was paid at double the ordinary rate of wages for work on such a day.

The effect of the notification is that essential services personnel must be paid double rates if they are asked to work on

their weekly day of rest or on 'closed' holidays but a substitute holiday need not be granted to them.

Assam Plantation Labour Rules : Educational Facilities.—

By a notification dated the 10th March 1959 the Government of Assam replaced the words "State Department" by the words "State Education Department" in Rules 53 to 56 of the Assam Plantations Labour Rules 1956 and added Rule 57A which provided for the appointment of an Advisory Board to advise the State Education Department on matters relating to the provision of educational facilities for workers' children.

By another notification issued on the same date the Government of Assam brought into force with immediate effect Rules 52 to 57A of the Assam Plantation Labour Rules 1956 which relate to the provision of educational facilities on tea gardens.

Industrial Disputes Act : (a) Termination of Conciliation Proceedings.—The Association had previously held that it would be reasonable to assume that conciliation proceedings had concluded, in the case of proceedings before a conciliation officer, three weeks from the date of their commencement. This time limit was based on the fact that Section 12(6) of the Industrial Disputes Act lays down that a report should be submitted to Government within 14 days of the commencement of proceedings.

This advice, however, had to be withdrawn because of a ruling given by the Supreme Court that although Section 12(6) contemplates that the report of the conciliation officer should be submitted within 14 days it does not affect the meaning of the term "pendency of any conciliation proceedings before a conciliation officer" and that these proceedings continue until the report of the conciliation officer is received by the appropriate Government. The Court also added that when an employer punishes a workman, even after the expiry of 14 days from the commencement of conciliation proceedings, he may contravene Section 33 of the Act if the report of the conciliation officer has not been received by the appropriate Government.

(b) *Proposal to amend Section 20(2)(b).*—At a meeting of the Standing Labour Committee held in January, 1959 at Bombay a proposal was made to amend Section 20(2)(b) of the Industrial Disputes Act, 1947 in such a way that the protection afforded to workmen under Section 33 of the Act would be available to workmen even during the interval between the date of the receipt by Government of the Conciliation officer's report of a failure to reach a settlement and the date of reference of the dispute under Section 10 of the Act or the date of any final order passed by Government refusing adjudication.

This proposal was referred to the Association for its views by the Tea Board and in opposing the amendment the Association pointed out that it had been found in practice that after a Conciliation Officer investigated a dispute the case was often allowed to remain pending for long periods by the State Labour Department without any action being taken upon the Conciliation Officer's report. Sometimes, indeed, such cases were allowed to remain undecided indefinitely if the Labour Department did not expect any further active dispute. The Labour Department officials possibly felt that any definitely negative answer to the Union concerned might cause a recurrence of trouble. The Management were thus left in a position in which they did not know whether a dispute remained pending or not, and it would be extremely unfair if the shelter of Section 33 of the Act were to remain in force indefinitely. In the circumstances it was considered that, after a reasonable period of time had elapsed from the date of the conclusion of the Conciliation Officer's enquiry, the Management should be allowed to presume that his report had gone to the Government and, in the absence of information to the contrary, that the dispute was dead.

(c) *Works Committees.*—Under the West Bengal Industrial Disputes Rules 1958 Government is empowered to order Managers to constitute Works Committees on tea gardens and during the year under review the Association was asked to inform Government whether Works Committees existed on gardens and to report on their satisfactoriness or otherwise. This information was collected through the Branches and it appeared

that Works Committees were not very successful and had in many cases been disbanded. The Labour Commissioner, West Bengal was advised of the position and it was agreed that Government would not insist on the formation of Works Committees where both employers and workers were opposed to their constitution and that in the case of existing Committees where difficulties were encountered permission to dissolve the Committees would be granted after investigation by the Labour Department.

Assam Factories Rules : Head Tea House Babus.— In the Association's report for 1957 it was recorded that the Government of Assam had set up a Committee to go into the question of overtime for Head Tea House Babus and that the Committee had defined its terms of reference as follows:—

“Determination of the criteria to be adopted for deciding whether a Head Tea House Babu is holding a position of Supervisor.”

This Committee held a meeting on the 15th June, 1959 at which efforts were made to fix a pay limit as one of the conditions for the status of Supervisors. The Union representatives suggested a figure of Rs. 500/- which could be drawn as pay, dearness allowance and servant allowance while the employers' representatives proposed that the limit should be in the region of Rs. 200/-. As these divergent views could not be reconciled the employers' representatives suggested that there should be no limit of remuneration fixed for the purpose of declaring a Head Tea House Babu a Supervisor and that it should be left to the good sense of the Factories Inspector who could see that the pay and allowances of the incumbent were consistent with the status of a Supervisor. In the absence of any alternative solution this proposal was eventually accepted by the Committee.

Assam Factories Rules : Amendments.— In a notification dated the 16th July, 1959 the Assam Government notified a new Form 21 under sub-rule (i) of Rule 99 to provide for a consolidated annual return regarding the number of workers, the hours of work, the grant of leave with wages and compensatory holidays, and the provision of Canteens, Creches, Shelters, Rest-rooms and Lunch rooms.

In a notification dated the 5th August, 1959 the Government of Assam published Rules 80 to 83 which defined the persons who would be deemed to hold positions of supervision or management and persons who would be deemed to hold confidential positions. A schedule was also attached which prescribed the exemptions from the provisions of the Factories Act which could be availed of in respect of adult male workers.

Workmen's Compensation Act.— The Workmen's Compensation Act, 1923 was amended by the Workmen's Compensation (Amendment) Act, 1959 which came into force on the 1st June 1959. Copies of the Amendment Act were issued to members under Circular No. 46 of the 23rd June 1959 together with a note by the Labour Department of the Bengal Chamber of Commerce and Industry on the important features of the Act.

Under the Amended Act the distinction made between an adult and minor for the purpose of payment of compensation has been removed. The waiting period, during which a temporarily disabled worker is not paid compensation, has been reduced from 7 days to 3 days but provision has been made for the payment of compensation during the waiting period if the disablement lasts 28 days or more.

Surplus Labour in Assam.— For the purpose of dealing with this problem the Government of Assam, on the advice of the Assam Standing Labour Committee, constituted a Central Committee on Unemployment in Tea Gardens and the first meeting of this Committee was held in Shillong in June and was attended on the Association's behalf by the Chairman of the Surma Valley Branch and the Shillong Adviser. At that meeting the Association's representatives urged that the unemployment problem on tea gardens could only be effectively dealt with as part of the national problem, and it was agreed that Government departments should be asked to obtain their requirements of unskilled labour from the unemployed population on the gardens. It was also agreed that Government should endeavour to initiate new cottage industries and to provide facilities for technical and vocational training. As regards labour complaints about the tea industry's practice of recruiting labour from outside the State, the Association's representatives

pointed to the reluctance of the unemployed indigenous population to move to areas where employment was available and asked that Government should carry out propaganda in order to persuade labour to move more readily. It was also recommended that the employment exchanges should function more actively in the matter of filling vacancies, and it was decided to constitute four local Committees—one for each Zone in the Assam Valley and one for Cachar—to examine what employment opportunities existed in their respective areas and the extent to which these opportunities could be increased.

As stated elsewhere in this Report, the recruitment of labour from outside the State was also the subject of complaints by labour at the 14th Meeting of the Assam Standing Labour Committee held in Shillong during September. On that occasion the Association's representatives again drew attention to the immobility of indigenous labour and to the very reduced scale on which recruitment from outside the State was now taking place. Because of this reduced scale of activity, the Committee of the Association also reviewed the position of the Tea Districts Labour Association towards the end of the year and agreed in principle that, subject to suitable alternative arrangements being made for those estates which could not obtain a sufficiency of labour locally, it was desirable that steps should be taken to wind up the T.D.L.A. With that object, it was decided to make a survey of the extent to which individual estates were likely to continue to acquire labour from outside and, at the time of writing, the subject is still under examination. In the meantime, the T.D.L.A. is taking steps to dispose of such of its property as has become surplus.

The question of surplus population and of the increased employment of Assamese being a matter which had received a considerable amount of public attention, the Chief Minister announced in August that he desired to convene a meeting of leading employers in order to have a full discussion of the subject. Unfortunately, the date originally proposed for this meeting had to be altered in order to meet Government's convenience and subsequent dates which have been suggested have similarly proved unsuitable because of the inability of all concerned to attend, with the result that at the time of writing

the meeting has still not been held. The Government of Assam also gave public expression to their concern with the unemployment problem by adopting a resolution urging the need for creating new employment opportunities, and this resolution was embodied in a public statement issued by the Chief Minister on 24th October; the Chief Minister's statement is reproduced in the appendices to this Report.

The Employment Exchanges (Compulsory Notification of Vacancies) Act 1959.— The Employment Exchanges (Compulsory Notification of Vacancies) Act 1959 was published in the Gazette of India Extraordinary of the 3rd September, 1959 and will come into force on dates to be notified for each State. The object of the Act is to compel employers to notify all vacancies to the local Employment Exchanges except those in the following categories, viz. (a) vacancies in agricultural or domestic service, (b) temporary vacancies (i.e. less than 3 months' duration), (c) vacancies for "unskilled office workers" (e.g. peons, watchers, sweepers etc.) and (d) vacancies to be filled by promotion or by transfer within an establishment. Section 4(4) of Act however makes it clear that compulsory recruitment through Employment Exchanges is not envisaged.

It is anticipated that vacancies arising on tea gardens in the categories of Assistant Managers, clerical, medical and skilled factory staff will fall under the mischief of this Act but so far the Act has not been brought into force in either Assam or West Bengal.

Workers' Education Scheme.— In 1957 at the request of the Government of India the Ford Foundation sent out a team of experts to study and make a report on the best method of propagating education of the desired kind among the industrial workers of this country. This report was considered and adopted by the 15th session of the Indian Labour Conference held in July, 1957 and as a result the Government of India in the Ministry of Labour and Employment constituted a semi-autonomous body, known as the Central Board for Workers' Education, to propagate measures calculated to advance education among industrial workers on trade union philosophy and methods. One of the objects of the Board is to organise a

series of programmes in existing educational institutions etc. to provide instruction in—

- (i) trade union consciousness;
- (ii) the purposes, functions and administration of trade unions;
- (iii) the conduct of union management relations and knowledge of the industry;
- (iv) the development of a mature individual and his role as a citizen; and
- (v) the observance of the Code of Discipline.

Training will be imparted to selected workers at about twelve training centres in various parts of the country at whole-time courses of about three months' duration each. Employers have been asked to release workers selected for these courses on special leave with full pay and the Central Board of Revenue have agreed that the expenditure so incurred should be allowed as admissible deductions under section 10 of the Income Tax Act. Employers have been advised that their right to refuse the release of workers considered unfit for training will be respected.

The Scheme was brought to the attention of members in Circular No. 71 of the 27th August 1959.

Land Requisition in Assam.— During 1959 further representations were made to the Assam Government by the Shillong Adviser regarding payment of compensation for requisitioned land, particularly in Cachar, but little progress was made. The Government acknowledged their responsibility to pay compensation from the date when possession was taken of the requisitioned land, but only a few small payments of arrears were made. Efforts continue to secure full compensation.

During the year the Government of Assam, with the desire both to find land for displaced and landless persons and to grow more food, stepped up their endeavours to requisition land from tea estates. They laid it down that if an estate had more than twice as great an area not under tea as it had under tea, the circumstances of that estate should be examined with a view to taking over the "surplus" if it was found expedient to do so.

The Association with a view not only to co-operate with Government but also to avoid attempts to requisition land necessary for the economy of tea gardens, set up a Sub-Committee to draw up in co-operation with the companies concerned a list of areas, from which the Deputy Commissioners might, when they needed land, select suitable sites for requisition. The Sub-Committee accordingly came into being in June 1959 and examined the returns which members had submitted to a circular issued by the Assam Branch earlier in the year and after further correspondence with Agency Houses a preliminary list was prepared of land available for requisition and communicated to those concerned, requesting confirmation that the Association might advise Governments of these offers. It is hoped to address Government in this connection early in 1960.

Introduction of the Metric System of Weights & Measures.—

Initial plans for the introduction of the metric system of weights and measures were described in last year's Report, and it was stated there that the Tea Board had set up a special Working Group—on which the Association is represented by its Deputy Chairman for the purpose of planning the introduction of the new system in the tea industry and trade. Throughout 1959 all major policy questions arising out of the conversion were considered by this Working Group, its first step being to approve a set of conversion tables which would be suitable for use by the industry and trade. These tables, after being approved by the Working Group, were prepared and printed by the Standing Metric Committee which the Government of India has appointed to supervise the changeover in all spheres of activity, the Association ordered a supply of the tables on behalf of members, and copies were eventually distributed in November.

Early in the year the views of the industry and trade were sought on the standard metric unit of weight which should be used in the trade, the choice lying between the kilogram and the half-kilogram. Initially the Committee of the Association were inclined to favour the kilogram, since this would be the unit adopted by Government and therefore used in transactions relating to the Customs, Excise, Railway freight etc., and also because there was a fear that, the half-kilo being only slightly more than 1 lb., the two might become identified in a buyer's

mind and there might therefore be a tendency for buyers in the auction to bid the same price for a half-kilo as they would have done for 1 lb. Buyers, on the other hand, doubted if the kilo would be preferable to the half-kilo, particularly since the latter unit was already in use in Indonesia and apparently involved no difficulty, and they therefore suggested that the views of buyers in the U.K. should be sought before a final decision was taken. The subject was accordingly referred to the Indian Tea Association in London and a canvassing of opinion there revealed that the trade in London had no strong views in the matter, their main concern being that, once teas reached the U.K., weights should be converted to pounds and the teas should come forward to the London Auctions in terms of pounds. The Association accordingly adhered to its opinion that the preferable unit of weight would be the whole kilogram, and this proposal was eventually accepted by Government and the trade. London was also consulted regarding the marking of tea chests and agreed that there would be no objection to chests being marked in kilograms only, provided that one panel was left blank so that buyers in the U.K. would have space for any additional marks they wished to attach. The subject is now being reviewed in Calcutta and it is anticipated that recommendations regarding the marking of chests will be issued to members in the near future.

As regards the date on which the new system would come into force, the Tea Board's Working Group approved in July of draft notifications under which the conversion to metric units of weight and measurement would take effect from 1st April, 1960, and at the beginning of October the Government of India announced that the Customs and Excise Authorities would introduce the new system on the same date. Unfortunately, this decision was followed by a further announcement on 1st December stating that it had been decided to postpone the conversion by the Customs and Excise until August 1960. It was immediately clear that, entailing as it did a conversion to the new system in the middle of the tea season, such a postponement would present the tea industry and trade with insuperable difficulties, and the Association accordingly protested against the postponement and urged that its members had no option but to introduce the metric system as from the commencement

of the new season. The subject was discussed again by the Working Group at the end of December, and at that meeting it was accepted that the industry should introduce the metric system as from 1st March, 1960 and the trade and the Tea Board from 1st April 1960, these dates being embodied in draft notifications to which the Working Group gave its approval. It was clear however that there would be an intervening period of several months between conversion by the industry and trade and conversion by the Customs and Excise Authorities, during which weights would have to be converted from kilograms to pounds for the purpose of all Customs and Excise Duty payments. At the time of writing, this problem is still receiving consideration but it seems probable that only a single conversion to pounds will be necessary at the time when Duty is paid and that this will involve comparatively little trouble.

The introduction of the metric system will of course involve the conversion to metric units of all scales used by the industry, and in September the Association received reports that members were having difficulty in arranging purchases of Salter's spring balances--the most common type of scale used for leaf weighment--the agents for the equipment being unable to supply the necessarily large requirements out of their very limited import licences, and those scales which were available in the open market being offered at inflated prices. Enquiries made of the Indian agents for Salter's spring balances revealed that it would not be practical or economic to convert these scales from pounds to kilograms and that new scales graduated in metric terms would therefore have to be imported. The Association thereupon obtained estimates of the total numbers of scales which would be required by members to effect the replacement of existing equipment by scales calibrated in metric units, the matter was strongly represented to Government, and at a recent meeting the Tea Board's Working Group has given an assurance that special facilities will be arranged for licensing the industry's requirements.

The Association is most anxious that the introduction of the metric system should not involve any increase in the heavy tax burden which the tea industry already has to bear, an unfortunate precedent having already been set in this connec-

tion when, with the introduction of the decimal coinage, a tax such as the Assam Carriage Tax which was formerly leviable at the rate of 1 anna per pound was converted to 7 nP. instead of 6.25 nP. per pound, and there was thus an increase of over 10% in the incidence of the tax. Since a kilogram is equal to approximately 2.2 lbs., it is clear that conversion to the metric system will involve the use of fractions in rates of taxation, and there is again the danger that tax rates will be rounded off in a way which may impose some increase in the total weight of taxation. Towards the end of the year the Association addressed the Government of India on the subject, urging that, to the extent that any rounding off of tax rates might be necessary, the rounding off should be downwards and not upwards and thus tax rates should not be increased. No reply has yet been received.

Foodgrains—1959.— The 1958 winter rice crop was generally reported to be a bumper one, but prices did not fall to the extent expected. In the eleven Circles supplied through Messrs. Steel Brothers member gardens began 1959 with 4,300 tons of rice in their godowns, in addition to which the Branch Agents had some 1,400 tons in transit and in their godowns. The five self-procuring Circles were also well stocked, having at the beginning of January 1959, 2700 tons of rice already on the gardens.

Khet assessment was enforced as before and it is estimated that this resulted in rice indents being reduced by 12,600 tons.

The offtake of rice in 1959 was appreciably lower than in the previous year. In the eleven Circles issues totalled 20,500 tons compared with 24,100 tons in 1958, and in the five surplus area Circles the figures were respectively 3,000 and 4,700 tons. Wheat issues also fell from 11,400 to 9,600 tons in the eleven Circles, while in the remaining Circles there was a slight increase. The Government of India and the Government of Assam were pressing for equal issues of rice and wheat and it had been hoped to secure Union agreement to this, but this was not forthcoming and the practice of issuing 3/7ths wheat to 4/7ths rice continued.

Rice allocations during 1959 totalled 21,500 tons. 8,400 tons were from Government of India stocks, of which 6,500 tons had to be imported from Calcutta, while the Assam rice was milled from the State Government's reserve stocks or from millers' stocks of paddy. There was no difficulty in lifting the Government of India rice, but the Assam rice had to be collected from many millers in many different and widespread localities, which increased greatly the work of the Branch Agents. The Government of India rice was mainly of good quality, though towards the end of the year some Orissa hand-pounded and mill-boiled rice gave rise to complaints. There were also complaints from members about Assam Aus rice.

7,000 tons of wheat were allocated by the Government of India and imported from Calcutta, and on one occasion when a delay occurred in the arrival of a consignment for Zone 1 gardens an allotment of 4,000 maunds of atta was obtained from the Deputy Director of Supply, Lakhimpur. The quality of most of the wheat was satisfactory.

At the end of 1959 stocks held on gardens and on behalf of gardens totalled 5,600 tons of rice and 2,900 tons of wheat.

In the Surma Valley there was some anxiety in the earlier part of the year, but the situation noticeably improved towards the end of the year. 2,500 tons of rice were issued to member gardens, and 2,000 tons of Atta. A small quantity of rice surplus to requirements was transferred at the end of the year to the Assam Branch.

Coal Supplies.— The coal requirements of member gardens in North Bengal, Cachar and the Assam Valley for 1959 were:—

64,388 tons for North Bengal gardens (Dooars, Terai and Darjeeling).

17,250 tons for Cachar gardens.

98,094 tons for Assam Valley gardens.

Coal for North Bengal gardens was transported by two routes, the all-rail route via Bhagalpur and Mokamehghat and the Indo-Pakistan rail route via Haldibari. The small quota of 2 broad gauge wagons daily via Bhagalpur and

Mokamehghat was used to move a part of the requirements of gardens in the Darjeeling area, while the Indo-Pakistan rail route via Haldibari was utilised to move the requirements of gardens in the Dooars, Terai and Darjeeling.

Coal by the Indo-Pakistan rail route was despatched in block rakes of 60 broad gauge wagons each, out of which the Association was allotted a fair share and, although there were many cancellations and restrictions imposed by the Railways during the season, it was by means of this transportation route that early completion of this season's coal requirements was made possible, the major portion being landed on the gardens well before the commencement manufacture and the balance by the end of August. The total quantity despatched during the year was approximately 65,000 tons.

As in the previous year, Messrs. Steel Brothers & Co., Ltd. continued to undertake the task of inspection of coal consignments at the transshipment point at Haldibari and to report on the quality on the Association's behalf. Reports on consignments containing an unduly high percentage of dust were passed on to the suppliers for their explanation and, although these measures have not resulted in the elimination of dust entirely from consignments of coal booked to tea gardens, there are indications that the quality of coal supplied to gardens in North Bengal during 1959 has been better than that supplied in the previous year. The Industry is allowed the use of Selected Grade "B" coal for manufacturing purposes, but there are infrequent occasions when it is not operationally possible to load complete rakes of this quality and Grade I coal has to be accepted at such times.

The accumulation of stocks for the coming season is, unfortunately, not proceeding as well as it did in 1959. Despatches against 1960 commenced in the first week of September 1959 and up to the end of January 1960 a total of 26,932 tons had been despatched compared with 55,000 tons despatched during the same period in 1959. Coal for North Bengal gardens for season 1960 is being routed now by the Indo-Pakistan rail route via Haldibari and also by the all-India rail route over the new Ganga Bridge via Garhara. Movement via both these routes has slowed down very considerably since

December, 1959 due to frequent restrictions imposed by the Railways as well as an acute scarcity of wagons but it is hoped that this set back in deliveries is of a temporary nature.

Supplies to Cachar gardens, as in the previous year, were made from Assam collieries but, as usual, despatches from Assam did not keep pace with requirements and arrangements had to be made to obtain supplies of Bengal coal. The Coal Controller who was apprised of the situation very kindly agreed to sanction the release of 7,026 tons of Bengal coal and arrangements were made to ship this quantity of coal from Calcutta to Cachar between the months of May and September while the river route was open. The total quantity of coal despatched to Cachar from all sources, including 7,026 tons from Bengal, was 18,007 tons.

Complaints were made by a number of gardens regarding the poor quality of coal received from the Assam coalfields, notably from the Koilajan colliery, but the only consolation they were able to obtain from the Deputy Assistant Coal Controller, Assam, was a statement to the effect that although Assam coal has not been graded like that of Bengal coal it is of superior quality as has been observed from experiments and chemical analysis etc. Although Assam coal does not lack calorific value the fact remains that it comes mostly in dust form and contains a lot of slate, stone and other non-combustible material which result in excessive wastage.

For the Assam Valley gardens, allocations from Assam collieries were as follows:—

Ledo	...	...	25,122 tons
Dilli	...	...	6,454 ..
Jeypore	...	...	7,449 ..
Nazira	...	...	278 ..
Koilajan	...	...	9,888 ..
Khasi	...	...	46,106 ..
Total	...	...	<u>95,297 tons</u>

Deliveries were made by rail from the collieries in Assam to the various depots maintained by the Assam Branch which

arranges final distribution to gardens. Supply of Khasi coal was made both by rail and by river from Gauhati through the distribution arrangements of Messrs. Steel Brothers & Co., Ltd. Total deliveries in the Assam Valley from coalfields in Assam during the coal year from 1st September 1958 to 31st August 1959 amounted to 95,890 tons or approximately 98 per cent of the total indents.

Early in the year, endeavours were made through the Tea Board to obtain an allotment of 30,000 tons of Bengal Coal for gardens in the Assam Valley but these were unsuccessful. The request for Bengal coal was rejected by the Coal Controller who stated that it was the policy of his department to satisfy the demands of consumers in Assam from the production in that State and as the anticipated output from the Assam mines was likely to exceed the possible demand in the State during the year by a considerable margin there would be no need for gardens in Assam to import coal from Bengal.

The Assam Branch had complained that in spite of much correspondence with the Deputy Assistant Coal Controller, Assam, allocations to individual gardens were very badly delayed and that as late as February 1959 several gardens had not been allocated any coal whatsoever. This unsatisfactory position was brought to the notice of the Coal Controller in a memorandum submitted by the Association. It was also brought to his attention that the Coal Control Authorities in Assam had made no efforts to try and maintain and improve the quality of Khasi coal. When despatches were poor and stocks declined the industry was forced to accept Khasi coal below the standard already agreed upon and laid down by the Coal Controller's department. The Association also asked for an increased quantity of coal from the Ledo mines which was understood to be available.

The Coal Controller was most sympathetic and called for a meeting at the end of April to discuss with representatives of the industry the supply position in Assam. He agreed that there had been a delay in allocating coal to gardens in Assam and decided that from the following year allocations would be made in his office at Calcutta on the basis of which sanctions would be issued through the Deputy Assistant Coal Controller in Assam.

The Deputy Assistant Coal Controller, Assam, had pointed out that the mines in the Khasi Hills could produce about 4,000 tons of lumpy coal per annum of which a quantity of 2,500 tons was earmarked for the defence services and the rest was meant for civil consumption at Shillong. The Coal Controller was of the opinion that while the allocation to the defence services should not be interfered with, there was no reason why the civil population of Shillong should have 1,500 tons of lumpy coal while an important industry was compelled to take unsuitable powdery coal. So far as the civil population was concerned, their requirement was being met by allocating soft coke whose output, if necessary, would go up according to demand. The lumpy coal, however, ought to be earmarked for industries which needed it essentially. The tea industry, he said, being by far the most important in earning foreign exchange of all the exportable commodities of the country, deserved consideration and he would like to accommodate the industry to the maximum extent. He, therefore, agreed that Assam gardens should be given a higher percentage of coal from the mines of the Assam Railways and Trading Company.

From gardens in the Assam Valley also came reports about the poor quality of coal received from the mines in Assam as a result of which it was decided by the Chief Combustion Engineer of the Government of India to investigate the combustion efficiency of Assam coal as used by the tea industry. Two Inspectors were deputed by the Chief Combustion Engineer to conduct the investigation and tests were carried out in Dewan Tea Estate in Cachar and nine other gardens in the Assam Valley. The report on these tests has now been received by the Association and it is hoped that the recommendations made by the investigating officers as a result of their findings will be accepted by the authorities concerned with a view to finding ways and means for the proper utilisation of the various types of coal from the Assam collieries, not all of which is suitable for use by the tea industry.

Iron and Steel.— The supply position of Iron and Steel this year was slightly better except for Sheets and Galvanized Wire which continued to be in short supply. This year, due to sudden and unexpected floods all over India, a large quantity of G. C. Sheets had to be diverted by the Iron and Steel Controller

to the flood affected areas. As a result, the Tea Industry received inadequate supplies of these Sheets both for development and extension projects and maintenance and repair works.

The total tonnage of steel allocated to the Tea Industry during 1959 was as follows:—

(1) Maintenance and Repairs	...	1916.12 tons
(2) Development and Extensions	...	934.79 tons

It is expected that in the coming year the supply position of Iron and Steel will be eased to a great extent provided the Steel Plants keep up to their schedule. Government have relaxed control over the distribution of certain sections of steel such as Heavy Joists, Channels, Angles, Flats and big Rounds.

Cement.— The supply of cement to tea estates, previously under the control of the Regional Honorary Cement Adviser, was transferred during the year to the control of the Regional Cement Officer, State Trading Corporation of India Ltd., who allotted permits on the basis of applications submitted through the Tea Board. The procedure laid down by the Tea Board for the submission and sponsoring of applications for quotas worked satisfactorily.

As a result of a substantial increase in the cement production in the country tea estates experienced no difficulty in obtaining their requirements of cement both for Development and Extension Projects and for Repairs and Maintenance work.

The total tonnage of cement allotted for the various periods against the demands submitted by the tea industry was as follows :—

		<i>Demand</i> Tons	<i>Allotments</i> Tons
Period I	...	6,623	5,400
Period II	...	3,386	3,386
Period III	...	4,200	4,200
Period IV	...	9,705	9,705
Total—	...	23,914	22,691

The quantity allotted was equivalent to approximately 95% of the total demand of the Industry as compared with 77% allotted in the previous year.

The production of cement in the country continues to rise and despite a possible increase in demand from all quarters there are indications that the improvement in the supply position during 1959 will be maintained in the following year. This is reflected in the quota of 5739 tons allotted to the industry for the first quarter of 1960 which is equivalent to 100% of the total demand for that period.

Fertilizers.— As in 1958 strong representations were made to the Tea Board and to the Government of India in an attempt to obtain for the Industry in North East India its full estimated requirements of 65,000 tons of sulphate of ammonia. This is considered to be the most suitable nitrogenous fertilizer for tea, being superior to urea and to ammonium sulphate nitrate, which are also available. Despite these representations, which were pressed at a meeting held in February the Association could get a promise only of an allocation of 37,500 tons of Sulphate of Ammonia and 4,000 tons of ammonium sulphate nitrate. Government agreed however that no company would be forced to take urea or ASN if it did not wish to do so, nor would it be denied its share of sulphate of ammonia, and that the fertilizers would be supplied in straight form rather than in mixtures.

Further representations were made in New Delhi in March to the Deputy Minister of Commerce by the Chairman and Calcutta Adviser. As a result of these representations the Association was notified in August through the Tea Board that the allocation for the Industry in North East India had been increased to 51,000 tons of sulphate of ammonia, 2,000 tons of urea, and 2000 tons of A.S.N.

In July the Fertilizer Technical Committee of the Ministry of Commerce and Industry, Government of India, paid a visit to the Association's Research Station at Tocklai during the course of a tour of Assam, and the opportunity was taken by the Director to put forward the Industry's case for increased allocations of ammonium sulphate. The Director had prepared a detailed note outlining the Industry's requirements and the reasons why ammonium sulphate was preferred. This was received with great interest by the Chairman of the Technical Committee and was incorporated in the Committee's official report to Government.

Tea Chests.— The quality of tea chests used by tea gardens continued to engage the attention of the Association during 1959. The Tea Warehouse Inspection Team for North India, set up by the Tea Board's *Ad Hoc* Committee on Tea Chests, continued its activities throughout the year. It was apparent from reports that the following defects in tea chests were of frequent occurrence:—

- (i) Shooks pulling away from fittings.
- (ii) Wood brittle.
- (iii) Chests overpacked or nett weight excessive.
- (iv) Panels splitting along fittings.
- (v) Panels bulging.
- (vi) Chests attacked by wood borers.
- (vii) Fittings unevenly nailed on.
- (viii) Insufficient nails.
- (ix) Fittings too narrow.

The attention of members was invited to the various defects reported.

Complaints were also made of various types of taint in teas. The principal of these was one of "cheesiness" which had appeared in teas packed in chests made from various species of *Dipterocarpus*, notably "Hollong" and "Gurjan" timbers. Tests were accordingly undertaken at the Association's Research Station at Tocklai: the tests relating to "Hollong" were largely inconclusive, but those relating to "Gurjan" appeared to indicate that this type of timber was unsuitable for tea chest manufacture. This information was passed on to the Tea Board who took up the matter with the Development Wing, Ministry of Commerce and Industry, New Delhi. Interim instructions regarding the processing of "Gurjan" wood were issued by the Development Wing pending further investigations into this question. It was also recommended that fir battens or kiln-seasoned battens should be used in manufacture and that special care should be taken in the use of long nails. Consider-

ation was also given during the course of the year to altering the specifications of tea chest linings and experiments on this aspect were still being conducted at the end of 1959. The Tea Board also made recommendations regarding the limits of maximum nett weights for various types of tea chests, following a meeting in March of the *Ad Hoc* Committee, which were designed to guard against bulging and splitting and the slowing down of movement of chests in transit. These recommendations were passed on by Circular to Association members. The Association was again represented by the Deputy Chairman at meetings of the *Ad Hoc* Committee.

The Association was also invited by the Planning Commission of the Government of India for the Third Five Year Plan to send a representative to a meeting held in New Delhi in December to discuss the Plywood Industry. Mr. F. Carman attended as the Association's representative. Mr. Carman also represented the Association on the Tea Chests Sectional Committee of the Indian Standards Institution.

On complaint by a member representations were made to the Port Commissioners regarding damage to teas in handling at the Calcutta docks and the subject was raised at a meeting of the Tea Warehouse Advisory Committee. Specific complaints were, staining of chests by the accumulation of rain water, inadequate labour supervision, resulting in careless handling of chests, and the use of hooks in moving chests. The allegations were however rejected by the Traffic Manager.

Tea Chest Fittings.— As in 1958 the supply of tea chest fittings continued to give concern, particularly in respect of a shortage of wire nails. The Association accordingly addressed the Tea Board both in general terms and with particular reference to the wire nail shortage. The question of the importation of tinplate waste was also the subject of correspondence with the Tea Board who replied that the matter had been taken up by them with the Union Ministry of Commerce and Industry in New Delhi.

Export of Tea in Unapproved Tea Chests.— In the Annual Report for 1958 it was stated that the effective date of the coming into force of the Government order prohibiting the

export of tea in unapproved tea chests had been postponed until the 31st January 1959. Before that date it became obvious that considerable stocks of imported uncertified panels still remained in the hands of members which could not be utilized before the date of coming into force of the order. Representations were accordingly again made by the Association to the Government of India and the Tea Board, and the Association was successful in obtaining a further postponement until the 31st July 1959 in respect of imported tea chest panels.

Protection to the Cotton and Hair Belting Industry.— In February 1959 the Association was asked by the Tariff Commission to submit its views on the subject of the continuance of protection to the cotton and hair belting industry and a questionnaire prepared by the Commission was accordingly issued to members for their comments. The Association collected members' replies and subsequently forwarded a consolidated reply to the Commission. The Association's general view was that, while quality had shown a slight improvement since the last enquiry in 1956, indigenous hair belting—particularly the larger widths 10" and above—was still inferior to the imported article for the following reasons:—

- (i) It has a tendency to stretch after a comparatively short period of use to an extent not found in the imported product.
- (ii) In some cases the indigenous belting tears away from the belt fasteners.
- (iii) Owing to the shortness of strand which continues to occur in the indigenous product these belts have a shorter life and a lower horse power rating than the imported belting.

Owing to the import restrictions most gardens had not used imported hair belting for some years and it was not therefore possible to compare prices for the imported article with those prevailing for the indigenous variety. Some gardens however had been using rubber ply belting because it was more durable and more resistant to climatic conditions and although more expensive on a flat belt width basis was in fact less expensive?

than hair belting because its higher horse power rating allowed the use of narrower belts in many applications.

It was accordingly suggested to the Commission that, while the continuance of protection to the hair belting industry seemed desirable, larger imports of hair belting should be permitted, if the foreign exchange position allowed, for the next few years as an incentive to local manufacturers to raise the standard and quality of their goods to a comparable level. It was also suggested that the lessening of restrictions against the importation of the higher power belting of the Dixel Rope type would do much towards satisfying the needs of the Industry.

In a notification dated the 2nd December 1959 the Government of India announced that the Tariff Commission had recommended that the protection granted to the cotton and hair belting industry need not be continued beyond the 31st December 1959.

Transport—1959.— On the whole transport facilities proved to be adequate. For the North-East Frontier Railway area the loading of tea declined from an average daily figure of 24.9 in the period April to June to 23.3, and in the period July to September from 112.5 to 105.4 as compared with the previous year.

As far as Steamer services are concerned, the Tea Special service carried a total of 6½ lakh chests from the beginning of the season until July. There was an initial setback due to unusually early and severe floods, and a brief hold up at the close of the year on account of shoal difficulties. By the end of the year a total of 28.7 lakh chests had been shipped from the Assam and Surma Valleys. Upward shipment included 3½ lakh maunds of tea garden stores, and 14½ lakh maunds of fertilisers.

Roads in Assam.— With a view to preparing district road maps of the State and also to deciding their Second Road Development Programme, the Government of Assam during the year sought particulars of existing roads constructed by tea companies and of proposals for the construction of new roads. The Government of Assam intimated that they were preparing

a Second Road Development Plan for the next 20 years from 1961 to 1981, with the aim of constructing 52 miles of road per 100 sq. miles against 26 miles per 100 sq. miles, to be completed by the end of the Second Five Year Plan.

Erosion on Tea Estates : Assam.— The Association submitted a memorandum to the Tea Board, showing the extent of erosion on tea estates near Dibrugarh over the past five years and the losses it had involved in terms of acreage, crop, and annual income and asked the Tea Board if they would pursue the matter with the State Government, and impressed upon them the gravity and urgency of the problem.

Railway Transport : Pilferage of Tea.— During the year it was reported that large quantities of tea were being pilfered from the Railway sidings at Transport Depot Road, Kidderpore, and representations were made through the Tea Warehouse and Tea Liaison Committee, requesting better security arrangements.

Movement of Tea to Calcutta : Guaranteed Transport Scheme.— In last year's report details were given of the Guaranteed Transport Scheme introduced by the North Eastern Railway under which they guaranteed to deliver tea to Howrah, Chitpore and the K. P. Docks in not more than 7 and 9 days respectively on the payment of a quick transit charge of 6 pies in the rupee of the total freight. This scheme continued to operate during 1959 and, despite occasional misunderstandings and suspensions for operational reasons, proved to be of great benefit to gardens in Darjeeling which depend on it to get teas down to Calcutta as quickly as possible.

Claims on Railways.— During the year Bengal Chamber representatives, on behalf of the Association, took up with the Chairman of the Railway Board the question of settlement of all outstanding claims. An assurance was given by the Chairman of the Railway Board when he visited Pandu that all outstanding claims would be settled shortly.

Visits to Calcutta by the Member (Central Excise) and the Member (Land Customs) Central Board of Revenue.— During the year the Association was asked by the Bengal Chamber if it wished to put forward any subjects for discussion with the Land Customs and Central Excise Members of the Central Board

of Revenue. Two general subjects were thought appropriate to discuss:—

- (a) The question of rounding off taxes to the nearest naya paisa downwards and not upwards when Metric weights and measures are introduced; and
- (b) The troubles with which the industry and trade would be faced by reason of Government's announcement that the Metric System would not be introduced until August 1960, and the necessity as far as tea is concerned of effecting the conversion as from the start of a new season.

Excise Duty on Tea: (a) *Regional Excise Advisory Committee.*—The Regional Advisory Committees on Excise matters set up by the Central Board of Revenue, at Calcutta and Shillong, continued to function during the year and the Association was represented in Calcutta through the Bengal Chamber of Commerce and Industry by Sir Richard Duckworth, Bart. of Messrs. James Warren & Co., Ltd., and in Shillong by the Shillong Adviser.

(b) *Changes in the rates of Duty.*—Excise duty continued to be levied on a Zonal basis during the year under review. In a notice dated the 8th January 1959 the Collector of Central Excise announced that Government had transferred the Kalimpong Sub-division and the areas in jurisdiction list No. 31 and 22 of the Kurseong Police Station in the Kurseong Sub-division from Zone III to Zone I and the Mangaldai Sub-division of the Darrang District from Zone III to Zone II. In a notification dated the 1st March 1959 the Government of India announced the sub-division of Zone III into two sub-Zones, Zone IIIA and Zone IIIB for which the rates of excise duty were fixed at 8 nP. per lb. and 12 nP. per lb. respectively.

The areas in North East India covered by the Zones as amended are as follows:—

Zone I

- (2 nP.) Districts of Goalpara and Cachar in Assam State;
 Centrally administered territory of Tripura;
 Kalimpong Sub-division, areas in jurisdiction list Nos. 31 and 22 of Kurseong

Police Station in the Kurseong Sub-division and the Siliguri Sub-division of the Darjeeling district and the district of West Dinajpur and other districts in West Bengal excluding the district of Jalpaiguri and other sub-divisions of Darjeeling district;

Zone II

(4 nP.) ... Mangaldai Sub-division of the Darrang district and the districts of Nowgong and Kamrup in Assam State;
District of Jalpaiguri in West Bengal;

Zone IIIA

(8 nP.) ... The Sadar Sub-division and Kurseong Sub-division (excluding the areas in jurisdiction list Nos. 31 and 22 of Kurseong Police Station) of the Darjeeling district in West Bengal;

Zone IIIB

(12 nP.) ... Districts of Darrang (excluding the Mangaldai Sub-division), Lakhimpur and Sibsagar in Assam State.

In last year's report it was recorded that Government had been asked to permit gardens which fell within two Zones to pay duty at the lower rate applicable to the Zone in which the factory was situated. This request, however, was not acceded to and it remains necessary for gardens which fall within two Zones to pay duty at the rates applicable to the Zones in proportion to the quantities of green leaf obtained from the areas within each of the Zones.

(c) *Clearance of Tea Invoices.*—During the year the Collector of Central Excise, Calcutta, authorised tea gardens to use two serial numbers on their invoices—one being the Central Excise number and the other the garden's invoice number. It was pointed out to the Collector that, while tea gardens were prepared to use the double serial numbering system on their documents and registers, they found it impracticable to show the Excise numbers on the chests themselves as these

numbers could only be inserted at the time of the actual despatch of the chests, which would delay despatch.

After representation by the Association the Collector of Central Excise agreed that the Excise number need not be printed on the chests and confirmed that it would be sufficient if the Excise serial number were shown before the chest's invoice number on the invoices and Excise documents as follows:—

Invoice	No. 1	UK 1/59
„	No. 2	LC 5/59
„	No. 3	D 4/59
„	No. 4	UK 2/59

(d) *Assessment of Shipping Bills and Gate Passes.*— With a view to dealing with statistical and accounting problems the Assistant Collector of Customs intimated in April 1959 that it was proposed to introduce as early as possible a system whereby it would be necessary for the shippers of tea to declare in their Shipping Bills the origin of tea (all varieties) statewise, *i.e.* Assam, West Bengal, etc., with the quantities produced in each State. It was also suggested that in the case of package teas shippers would have to declare in their Shipping Bills the different Central Excise Collectorates where payment of Central Excise duty at 21 nP. per lb. had been made irrespective of the origin of loose tea contained therein. The Association, after ascertaining the views of its members, informed the Assistant Collector of Customs for Exports that shippers would encounter no great difficulty in declaring the statewise origin, and that the practice would not involve much additional work, although it might be necessary to prepare additional Shipping Bills in a case where a shipper was despatching tea from different States in the same ship.

With regard to package tea, the Association stated that it was not in a position to offer any expression of opinion and recommended that the Assistant Collector of Customs for Exports should consult the Calcutta Tea Traders Association on this matter.

Export Duty on Tea.— No changes were made in the slab system of Export Duty during the year under review but in a notification dated the 1st March 1959 the Government of India

exempted tea from the payment of export duty in excess of 24 naye paise per pound with effect from that date.

Warehousing Conditions.— For the 1959 season the Tea Trade and Industry were allotted warehousing accommodation for 6.57 lakh chests in the Port area as follows:—

	<i>Accommodation for</i>		
Sale Tea Warehouse	...	2.40	lakh chests
Hide Road Warehouse	...	1.44	„ „
(less Ground Floor)			
3 King George's Dock	...	0.90	„ „
(1st & 2nd Floors)			
10 Sheds in Kantapukur	...	1.78	„ „
“S” Shed in Kantapukur	...	0.05	„ „
		<hr/>	
Total—	...	6.57	lakh chests

From October 1959, “H” shed at Kantapukur, which has a capacity of 0.14 lakh chests, was also allotted to Tea and the Port Commissioners provided additional accommodation at No. 2 or No. 4 King George's Dock as and when required. The minimum storage area occupied by the public warehousemen during the season at any one time was 1,151,449 sq. ft. with a storage capacity for 726,000 chests. The highest stock held was 707,515 chests.

For transit teas the trade was allotted space for 1.98 lakh chests as follows:—

	<i>Accommodation for</i>		
Hide Road Warehouse	...	0.30	lakh chests
(Ground Floor)			
Union South Jute Mill	...	0.58	„ „
Tea Transit Sheds			
(Foresore Godowns)	...	1.10	„ „
		<hr/>	
Total—	...	1.98	lakh chests

In early November 1959 a subsidence occurred at the Tea Transit Sheds and while strengthening works were being carried out by the Port Commissioners the storage potential on those Sheds was reduced to 0.90 lakh chests.

As a whole the space allocated to the trade was adequate for its needs and the warehousemen report that it has been one

of the smoothest years since the war. Early dispersal of teas at available river unloading points by the River Steamer Authorities who retained the use of Union South Jute Mill for this purpose, adequate warehousing accommodation to cope with arrivals, increased offtake to private warehouses, no undue interference with sale and export programmes, a reasonably steady market and close co-operation by all sections of the Tea Trade enabled tea to move smoothly through the Port. A strike in the Docks for a limited period during June resulted in overseas shipments being delayed but as this occurred at the beginning of the season it did not affect the unloading of up-country steamers or cause congestion in tea transit or storage areas.

Joint Tea Warehouse Advisory and Tea Liaison Committee.—

The Association is represented on this Committee by The Hon'ble S. P. Sinha. Routine matters which affected shipment of teas and the working of the Port were discussed at the monthly Committee meetings.

Construction of Additional Warehousing space in Calcutta Port :

The Libyan Depot.— As was stated in last year's Report, proposals for the construction of a new warehouse for tea were discussed from time to time at meetings of the Tea Board. The project originated in 1954 with the Report of the Auction Enquiry Committee and little progress was made until late 1958 when action was taken to select the site. In the meantime, the general warehousing position in Calcutta had made considerable progress as a result of steps taken by private warehousemen and the Port Commissioners to provide more space, and had become generally satisfactory and likely to meet the demands for some years to come. The change in warehousing capacity since 1954 is as follows:—

		(In Lakh Chests)		
		1954	1958	Increase
Public Warehouses	...	5.8	7.26	1.46
Private for Sale Teas only	...	1.0 ±1.8	2.00 ±3.5	1.00 ±1.7
Total for Sale Teas	...	6.8	9.26	2.46

*Of this amount 6.52 was the basic allotment made available at the beginning of the season. In 1958 the maximum space occupied was 7.07.

†Total private space for all teas.

It was, however, decided to ask for a fresh evaluation of the overall warehousing position by the Port Commissioners and also to inform the Tea Board that de-humidifying was unnecessary. The Chairman, Tea Board, was approached accordingly.

Increase in Port Charges.— Under the Second Five Year Plan the Calcutta Port Commissioners had embarked upon a programme of development for a moderate expansion of the capacity of Calcutta Port and for the improvement of the existing facilities to deal with an increased volume of traffic. To finance these projects the Commissioners had borrowed money from the Government of India and had also contracted loans equivalent to 29 million dollars from the International Bank for Reconstruction and Development, Washington. Associated with these projects the Commissioners proposed to introduce what is known as the "Datum Scheme" which is designed to accelerate the pace of loading and unloading cargo and with it the turnaround of ships. To meet the expenditure involved in implementing the scheme, which it was estimated would cost about Rs. 150 lakhs per annum, and to provide for the interest due on and the repayment of the loans taken, the Port Commissioners proposed to increase their charges to bring in an additional income of Rs. 2 crores, which would meet the increased expenditure up to 1961/62.

The Association protested at the proposed increase in Port charges and stated that the increase could only have the effect of raising the cost of North Indian teas and thus further damaging the export prospects of India's principal earner of foreign exchange. The Association stated that the proposed increase in Port charges was directly contrary to the industry's current needs and to the policies which Government have adopted with a view to promoting exports. It was also suggested that, in the event of the increase being put into effect, some means should be sought of ensuring that the "Datum Scheme", on which the Port Commissioners are spending so much money, would provide a great improvement in Port facilities and that the shipment and movement of tea in the Port area would be greatly accelerated.

The proposed increases, details of which will be found in the appendices to this report, were brought into effect from the 21st January, 1960.

Union South Jute Mill: Port Commissioners' Charges.

The Association was advised by the Traffic Manager, Port Commissioners, that consideration was being given to the Port Commissioners' levying toll and delivery charges at Union South Jute Mill as from January, 1960. Representatives of the Association on the Tea Warehouse Advisory Committee strongly objected to this proposal and it was pointed out to the Traffic Manager that the Union South Jute Mill is already an expensive proposition for the tea trade, in view of the transport difficulties involved. After further representations by the Association, the subject was dropped.

Tea Transit Sheds.— During the year the Association was informed by the Joint Steamer Companies that the Port Commissioners had asked them to vacate the riverside portion of the tea transit sheds as there was a danger of further subsidence. This entailed a loss of storage capacity to the extent of some 12,000 chests. A re-organisation made by the Joint Steamer Companies in respect of the export ghats enabled the space at Juggernath Ghat to be increased to approximately 60,000 chests which placed the overall capacity within the region of 20,100 chests as was the position prior to the evacuation of the riverside portion of the transit sheds. Members of the Association were requested to clear, with the greatest possible expedition, teas awaiting delivery in the transit sheds, and to make a special effort to maintain deliveries at a rate commensurate with arrivals.

Port Commissioners Indemnity Agreement for the delivery of Tea Prior to the surrender of Railway receipts.— Owing to abnormal delays on the part of consignees in submitting their railway receipts the railway authorities asked the Port Commissioners to reduce the time limit for the submission of the R/Rs. to 3 days and to include a penalty clause in the Indemnity Agreements which were filed with them for the delivery of teas prior to the surrender of the R/Rs.

After discussions which extended over several months representatives of the Association and the Calcutta Tea Traders Association were successful in persuading the Port Commissioners to withdraw the penalty clause and to allow a period of two weeks for the submission of the R/Rs. When the final form of the Indemnity Agreement was issued, by the Port Commissioners, however, it was noted that the Agreement included a clause which would permit the Port Commissioners to stop booking of wagons on account of the consignee if the terms of the Agreement were not followed. While the Association took strong objection to the insertion of the clause, it was not thought worthwhile to pursue the matter as it appeared that the Port Commissioners already had authority to stop bookings when required.

Income Tax : Value of Rent-free Quarters.— At the end of 1958 it was brought to the notice of the Association that there were wide variations as between individual Income Tax Officers in the interpretation of the Income Tax Rules relating to rent-free quarters and to taxation assessments on transport allowance.

Representations were accordingly made in March 1959 to the respective Commissioners of Income Tax, Assam and West Bengal, in an attempt to secure the adoption of a standard practice of assessment both in the case of rent-free quarters and of transport allowance. On receipt however of a lengthy reply from the Assam Commissioner the matter was discussed by the Association's General Committee and it appeared that in the light of other information which had been obtained it was unlikely that it would be possible to obtain a general relaxation of the rule that furnished rent-free quarters be valued at 12½% of salary and allowances. In the circumstances it was agreed that the Association should not press its arguments further. The Assam Commissioner however addressed the Association again in this matter and new proposals were accordingly submitted to him, based on information collected from Agency Houses, which was considered by the Association's Finance and Taxation Sub-Committee. The Commissioner's reply was still awaited at the end of the year.

Wealth Tax on Companies.— In the Annual Report for 1958 reference was made to representations submitted to Government regarding the operation of the Wealth Tax Act 1957 on Companies. With the withdrawal of this tax from companies in 1959 the Associated Chambers of Commerce of India decided not to proceed further with their memorandum, but cases continued to arise from the period when wealth tax was applicable. One such, which was concerned with the right to deduct provision for labour bonus from assets for the purpose of the 1957/58 wealth tax assessment, was referred to the Bengal Chamber of Commerce and Industry for advice, on receipt of which the matter was taken up with the Central Board of Revenue. A reply was however still awaited at the end of the year.

Assam Agricultural Income Tax Act.— By the Assam Finance Act 1959 the Assam Government raised the rate of tax under the Agricultural Income Tax Act from 31 nP. to 34 nP in the rupee in the case of companies whose total income does not exceed Rs. 1 lakh. In respect of companies whose income exceeds that figure the rate remains unchanged at 38 nP. in the rupee. The Act was published in the Assam Gazette of the 5th August, 1959.

The Assam Taxation (on Goods carried by Roads and Inland Waterways) Act, 1954.— During 1959 the Assam Carriage Tax continued to be levied as in previous years. Following very strong representations by the Shillong Adviser and a representative of Cachar interests to the Government of Assam, the Finance Minister agreed in June to suspend the operation of the Act in respect of gardens in Cachar. The initial suspension was for three months and applied to the collection of tax for the quarter ending 30th June but as a result of further vigorous representations the suspension was extended up to the end of the year, and also included the Tripura area. Suspension for 1960 was also urged but no decision had been communicated by Government at the end of the year. The Association also requested the removal of the tax from tea shipped from West Bengal to Calcutta by the river route via Dhubri, but to no avail.

The hearing by the Supreme Court of the appeals in which the Association challenged the validity of the Act commenced in

December, but judgment had not been delivered by the end of the year.

West Bengal Entry of Goods into Local Areas Act, 1955.—

During the year the collection of the West Bengal Octroi continued to bear heavily on tea companies. Strong representations were again made to Government to suspend the tax but to no avail. It was proposed that both the West Bengal Octroi and the Assam Carriage of Goods Tax should be abolished and replaced by a Central Government excise, the proceeds of which would be passed on proportionately to the State Governments concerned in order to compensate them for loss of revenue. The proposal was discussed with the Chief Minister of West Bengal by the Chairman of the Association in June, but the discussion proved infructuous. Further representations were however made, in which the Association was joined by other Producer Associations, but the position at the end of the year remained unchanged.

West Bengal Sales Tax.— (a) *General.*—During the year it was reported that certain Sales Tax Officers of the West Bengal Commercial Taxes Office were not allowing Tea Companies exemption from the payment of Sales Tax in respect of their teas sold at the Calcutta Auctions because the Account Sales Forms issued by the Brokers, which contain the Statutory declaration by the Broker on which the claims for exemption is based, did not mention the name of the Tea Company claiming exemption. Brokers were accustomed to issue the account sales in the name of the Managing Agents, Calcutta Agent or Bank on whose authority the teas were sold, and the name of the Tea Company whose teas were involved were generally not mentioned. In view of the attitude being adopted by the Sales Tax authorities the C.T.T.A. advised Brokers to ensure that in future the account sales stated that the teas had been sold on account of the Tea Company concerned on the authority of the Agents Managing Agents or Hypothecators as applicable.

(b) Bengal Finance (Sales Tax) (Amendment) Act 1954.—

Sales of tea at the Calcutta Auctions have been exempted from payment of sales tax because purchases are only permitted by dealers registered under the Bengal Finance (Sales Tax) Act.

who issue to the Brokers declarations in the statutory form stating that their purchases are for re-sale.

When the Bengal Finance (Sales Tax) (Amendment) Act 1959 was published in the Calcutta Gazette Extraordinary it was noted that an amendment had been made in Section 5(2) (a) (v) of the principal Act which had the effect of making auction teas subject to sales tax because exemption was only granted in respect of goods which had been purchased for—

- (i) re-sale in West Bengal;
- (ii) use in the manufacture of goods for re-sale in West Bengal;
- (iii) use in the execution of a contract in West Bengal.

The matter was referred to the Tea Board who advised that the Finance Department of the Government of West Bengal had stated that it was not Government's intention to subject auction teas to sales tax. On the 14th November 1959 a delegation from the Tea Trade called on the Commissioner of Commercial Taxes to discuss the situation which had arisen. No satisfactory solution could be arrived at, however, at this meeting and as buyers and brokers were reluctant to attend the auctions until their liability to tax was more clearly defined it was necessary to cancel the sales fixed for the week commencing the 16th November 1959.

A further meeting was held with the Commissioner on the 17th November 1959 when an assurance was received that action would be taken to exempt auction teas from sales tax and that the only teas which would be affected by the amending Act would be those sold by private sale or contract in West Bengal and subsequently made the subject of stock transfer out of the State without prior blending. Government gave effect to its assurance by preparing an amendment to the Bengal Sales Tax Rules which would have the effect of exempting teas sold at auctions held under the auspices of the Calcutta Tea Traders Association from sales tax. In view of this action the Auctions were resumed on the 23rd November 1959.

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(c) *Proposed additions to the Schedule to the Act* :—
During the year the Association requested the Government of West Bengal to allow exemption from the payment of sales tax in respect of the following items which it was suggested should be included in the Schedule to the Bengal Finance (Sales Tax) Act, 1941 :—

Tea Seed
Crop protective chemicals
Crop spraying equipment.
Irrigation Equipment

Government's reactions to this proposal are awaited.

Estate Duty Act 1953.— After a member had approached the Association for guidance regarding certain aspects of the Estate Duty Act, 1953, the matter was referred by the Association to the Bengal Chamber of Commerce and Industry for their advice. The main question related to the disallowance by Income Tax Officers of the Estate Duty paid under Section 84(1) of the Act as a charge for the purpose of a company's income tax assessment, with particular reference to sterling companies incorporated outside India. The Chamber replied that the question had been considered in 1958 in response to a similar query, but it had not been thought desirable to contest the constitutional validity of Section 84(1) of the Act.

Assam Chaplaincy Scheme.—The Association had hitherto maintained four Chaplains in the tea districts under the Assam Chaplaincy Scheme but when the Rev. J. Nelson resigned and left India in October, 1959 it was decided not to replace him. This decision was taken because it was becoming increasingly difficult to find the finance to maintain the scheme at its existing level owing to the transfer of gardens from Agency Houses to non-members and to the decline in contributions from the Tea Districts where the European population was diminishing as a result of these transfers. The three chaplains remaining under the scheme are at present posted as follows :—

At Tezpur	...	Rev. F. Wyld
At Digboi	...	Rev. P. Innes
At Chalkoa	...	Rev. H. R. Horsley

The Rev. Innes was on leave from March to September, 1959.

The rate of contribution by Tea Companies to the Chaplaincy Fund was maintained at Rs. 50/- per 100 acres during the year under review.

Assam Nursing Association.— The Assam Nursing Association continued as in previous years, the rate of subscription being Rs. 6/- per 100 acres. It was recommended that the same rate should be levied in 1960.

Planters' Amenities Fund.— The rate of subscription to the Planters' Amenities Fund remained in 1959 at the same figure as in the previous year, viz. 25 nP. per acre under tea, except in the case of gardens in Cachar for which the rate was fixed at 12.5 nP. per acre.

The meeting referred to in the 1958 Annual Report was held in Jorhat in January and was attended by the Chairman of the Association. The objects of the Fund were discussed and agreement was reached on the type of amenities which might properly be paid for with the money collected. These included inter-club meets, the purchase of outdoor equipment for sports, and assistance in catering at tournaments. The matter was subsequently before the General Committee in Calcutta and, although most members would have preferred to see the Fund wound up, it was generally admitted that this was impracticable at present and that in practice there was no option but to continue to administer the Fund as efficiently as possible. The Chairman discussed the matter with the London Association during his annual visit, and as a result of this exchange of views the General Committee agreed in July that the Fund should continue, its continuance depending on the support of all Agency House companies. It was considered essential that the objects of the Fund, as defined in earlier discussions, should be strictly complied with. A suggestion was made that in future years subscriptions to the Fund might be incorporated with the general Association subscription and the proceeds thereafter distributed by the Chairman to the most deserving proposals, but since the General Committee were uncertain how this suggestion might be received no definite decision was taken upon it. It was

also suggested that contributions might be collected from non-I.T.A. members but this suggestion did not find favour with the General Committee.

Gifts of Tea for Tibetan Refugees.— Following the influx of Tibetan refugees into India in May, 1959 the Association was approached by the Central Tibetan Relief Committee—an organisation which enjoyed the support of Government and whose approach had been demi-officially supported by the Chairman of the Tea Board—for donations of tea and of cash. The General Committee after consideration of the matter recommended that Agency Houses with interests in Assam should donate 1,500 lbs. of tea to the Central Relief Committee for Tibetans for distribution to Tibetan refugees in Northern Assam and that Agency Houses with interests in the Dooars should each donate one chest of tea for the refugees in North Bengal.

The Government of India exempted tea so donated from the payment of Excise duty.

Malaria Control.— During 1958 it seemed possible that due to financial difficulties some companies, particularly in the Dooars, might have to abandon their programmes of malaria control on their gardens. It had been understood that Government would be willing to assist by extending its own anti-malaria programme to include gardens which desired such assistance, but this policy was reversed by the Government in May 1959. The Association considered the matter of sufficient importance to make representations to Government, and an approach was accordingly made in July asking Government to reconsider its decision and to agree to extend its malaria eradication programme to tea estates which desired Government to undertake this work and to those areas within estates, such as villages and forests, which were not the responsibility of the estates concerned. The question was also discussed at a meeting of the Malaria Committee of the Indian Council of Medical Research held at Jaipur in December, which was attended by the Principal, Ross Institute of Tropical Hygiene, India Branch. It was finally decided at that meeting that there should be a further meeting in March 1960 which would

consider the implications of Government assistance and which would be attended by the Principal, Ross Institute and the Deputy Chairman of the Association.

Drugs & Equipment for Tea Garden Hospitals.— At a meeting of the Assam Medical Advisory Board in September, 1958 the Association was asked to advise on the list of drugs, equipment and the various registers and records which should be prescribed for use in garden hospitals. The matter was referred to the Surma Valley and Assam Branches of the Association, whose replies, after examination by the Principal of the Ross Institute, were then consolidated and forwarded through the Shillong Adviser to the Chief Inspector of Plantations, Government of Assam.

Training of Health Assistants.— Rule 36(5) of the Assam Plantations Labour Rules 1956 prescribes that each garden hospital shall be under the control of a qualified medical practitioner assisted by, among others, a trained health assistant. The qualifications and duties of a health assistant are not laid down in the rules but the Assam Medical Advisory Board recommended that "Health Assistant" should include dressers, anti-malarial assistants and also persons looking after sanitation in the lines. The duties of the Health Assistant would be similar to those of a Health Visitor and would involve going round the lines visiting sick people, enquiring about absence from work because of illness and reporting on the general health position. The Health Assistant would also be required to suggest health measures preventive or otherwise, which might be taken and superintend their implementation on the spot, for example, drain cleaning or anti-malarial spraying etc.

Through the good offices of the Principal of the Ross Institute of Tropical Hygiene arrangements were made for the training of Health Assistants at the Chabua Health Centre of the Assam Medical College, which agreed to reserve five seats for candidates from tea gardens. The first course commenced on the 4th January 1960 and five candidates were nominated for training.

B.C.G. Vaccination.—During 1959 B.C.G. vaccination teams working under the auspices of UNICEF visited gardens throughout Assam in order to carry out vaccination of garden

labour against tuberculosis. Although some difficulty was experienced during the plucking season, progress was made with the campaign, which it is proposed to continue early in 1960.

Calcutta School of Tropical Medicine.— The members of the Association with a few exceptions continued their support of the Calcutta School of Tropical Medicine during 1959, the subscription remaining at 3 nP. per acre. A total sum of Rs. 9854.92 was accordingly paid over to the School. The Association was represented on the Governing Body of the School by Mr. H. Mackay Tallack.

The usual courses for the Licence and for the Diploma were held during the year, commencing on the 15th July and the 19th October respectively. The first of these was attended by an Assistant Medical Officer from a member garden.

Ross Institute of Tropical Hygiene.— Tea Companies in the membership of the Association continued to support the Ross Institute of Tropical Hygiene, India Branch, during the year. The same rate of subscription was recommended for 1959-1960, viz. 4 nP. per 100 pounds of tea produced on the basis of the average crop for the three years 1955 to 1957.

Refresher courses for Assistant Medical Officers were held at various centres during the year, as also were courses in Tropical Hygiene for Planters. Though the attendance at some of the courses was not as large as might have been desired, those who did attend displayed great interest and enthusiasm, and it was agreed that the courses were of much value and should continue in 1960, albeit possibly on a smaller scale.

Christian Cemeteries in Tea Districts.— During the year the Association considered an appeal from the Secretary, Darjeeling District, Christian Cemeteries Committee, for donations to the Cemeteries Fund. It was agreed to issue the usual circular to agency houses and that the Branch would also collect individual donations.

Tea Waste (Control) Order 1959.— The Tea Waste (Control) Order which had been published in draft last year was finalised and published under a notification dated the 18th March 1959 and issued to members under Circular No. 31 of 29th April

1959). While the Order came into force on the date of the notification its restrictive provisions relating to the sale, etc. of tea waste and the licensing of dealers, etc. were brought into effect from the 1st October, 1959.

In the interval between the date of publication of the Order and the 1st October 1959 the Tea Board gave detailed consideration to the procedure to be followed in implementing the Order and the Association asked the Board to ensure that the executive instructions provided the following safeguards:—

- (1) Tea Waste must be denatured in such a manner and with the correct denaturants so that there can be no possibility at all of the waste being used as tea or to adulterate good black tea.
- (2) The factories which are licensed to buy must have machinery installed (not just a promise of machinery) and the quantities each factory is permitted to purchase must not exceed the capacity of the factory.
- (3) The price paid by the factory must be reasonably assessed.
- (4) All tea waste should be sold to actual consumers and not through intermediaries. This latter category should under no circumstances be granted any form of licence.
- (5) In the case of Exporters, proof that a *bona fide* order has been obtained must be produced before any licence has been given, and the price must not be high. Even so, tea waste for export must be denatured in such a way as to make it absolutely unfit for consumption.

The Calcutta Tea Traders Association were left to examine the effects of the Order on the Public Warehousemen and those using the Public Warehouses and from the discussions which took place on this subject it became clear that --

- (i) The Public Warehousemen would be granted a licence under the Order which would enable them to sell tea waste arising in the course of their business for export or for caffeine manufacture.
- (ii) This licence would also cover the operations of the Faulty Tea Warehouse and it would not be necessary for the owners of the teas to be separately licensed.

The Collector of Central Excise later issued instructions covering the manner in which tea waste which is intended for sale should be denatured. These instructions provided for the addition of 5 lbs. of slaked lime to 95 lbs. of tea waste and for the operation to be carried out in the presence of specified Excise officers depending on the quantity of waste requiring denaturing. Licensees were also required to keep a simple account of their tea waste stocks.

At the time of writing, the practical application of these instructions to the Public Warehouses and the Faulty Tea Warehouses is still being considered by the Licensing Authority and the Calcutta Tea Traders Association.

Rate of Emigrant Labour Cess.— The Government of India, Ministry of Labour and Employment fixed the rate of Emigrant Labour Cess for the year 1st October 1959 to the 30th September 1960 at Rs. 8/- per assisted emigrant.

Finance.— Copies of the audited balance sheets of the Association and Scientific Department as at the 31st December 1959, together with the revenue accounts for the year are attached to this report.

D. L. BETTS, *Chairman*
N. S. COLDWELL, *Vice-Chairman*
L. T. CARMICHAEL
G. CARLTON
SIR RICHARD DUCKWORTH
H. K. FITZGERALD
G. KYDD
I. F. MORRIS
P. B. NICHOLLS
G. F. OLDHAM
HON'BLE S. P. SINHA
H. K. STRINGFELLOW

W. M. PARIS,
Assistant Secretary.

Royal Exchange
Calcutta, 22nd February, 1960.

REPORT OF THE DARJEELING AND DOOARS SUB-COMMITTEE

The Darjeeling & Dooars Sub-Committee.— The following gentlemen served as members of the Darjeeling and Dooars Sub-Committee for 1959:—

Mr. G. Carlton, <i>Chairman</i>	Messrs. Davenport & Co., Private Ltd.
Mr. L. T. Carmichael Mr. N. C. Lance	} Messrs. Duncan Brothers & Co., Ltd.
Mr. N. S. Coldwell, M.C. Mr. A. N. Sircar	} Messrs. James Finlay & Co., Ltd.
Mr. A. C. H. Dolphin Mr. D. B. Wallace	} Messrs. Shaw Wallace & Co., Ltd.
Mr. P. Fraser-Casey Mr. B. P. Bajoria	} Messrs. McLeod & Co., Ltd.
Mr. G. Kydd	... Messrs. Octavius Steel & Co., Ltd.
Mr. I. F. Morriss, O.B.E.	... Messrs. Jardine Henderson Ltd.
Mr. G. F. Oldham	... Messrs. Andrew Yule & Co., Ltd.
Mr. G. A. Whitaker	... Messrs. Gillanders Arbuthnot & Co., Ltd.
Mr. P. H. Williamson, M.C. Mr. P. B. Nicholls	} Messrs. Williamson Magor & Co., Ltd.

Clerical Staff Salaries in the Dooars.—The scales of pay for clerical and medical staff in the Dooars and Terai which were introduced from the 1st January 1955 were reproduced in the Association's report for that year. Since that time the Unions had endeavoured on several occasions to secure a revision of the scales on the grounds that the cost of living had increased since the scales had been formulated. The Association on the other hand held the view that the demand for an increase in pay was unrealistic and unjustified in the light of the financial position of Tea Companies in the Dooars.

In the course of the negotiations the Unions eventually modified their demand to asking for simplification of the pay structure and for a reduction of the existing eleven grades of pay to four or five. These modified proposals found favour with the Association and the Dooars Branch were asked to put forward proposals for the consideration of the Association and the Unions. The Branch's proposals were finalised in consultation with the Association and provided for the introduction of four grades as follows:—

Present Grading	Present Basic Pay			New Grade	New Basic Pay		
	M n.	Incr.	Max.		Min.	Incr	Max
Head Clerk ...	146/-	5/-	221/-	Clerical I	146/-	6/50 (20 years)	276/-
Head Factory Babu ...	141/-	5/-	216/-				
Babu i/c Outgarden ...	136/-	5/-	211/-				
Head Garden Babu ...	111/-	3/-	156/-	Clerical II	111/-	4/- (15 years)	171/-
2nd Clerk } 2nd Factory Babu }	106/-	3/-	151/-				
Stores Clerk ...	96/-	3/-	141/-				
Typist ...	86/-	3/-	131/-	Clerical III	86/-	3/- (20 years)	146/-
Junior Garden Babu ...	86/-	2/-	116/-				
3rd Clerk } 3rd Factory Babu } Hazri Babu }	76/-	2/-	106/-				
Compounder ...	81/-	5/-	156/-	Medical	86/-	5/- (15 years)	161/-
Malariologist } Certified Nurse } (Sister) }	76/-	5/-	151/-				

These proposals were accepted by the Unions after several meetings and an agreement was signed on the 14th December 1959 which read as follows:

1. It is agreed that the Grades and rates of basic pay for members of the Clerical staff employed by members of the Dooars Branch Indian Tea Association shall be revised in accordance with the attached table.
2. The new scales shall be introduced from the 1st November 1959.

3. All those members of the Clerical and Medical staff serving on that date will be placed in the new grades at the next higher place to their present basic pay, plus Exceptional Merit Allowance if now drawn, which will give them an increase of at least Rs. 4/- per month in the basic pay previously authorised for them under the D.B.I.T.A. scales.
4. With effect from the 1st January 1960 every employee covered by these scales, who has completed 12 months service but has not reached the top of the incremental scale of his grade, shall receive one increment for every four years of service or part thereof in his grade, provided that this does not bring him above the top of the scale for his grade.
5. All members of the Clerical and Medical staff shown in the attached table shall continue to be entitled to receive allowances and amenities as authorised at present.
6. Exceptional Merit Allowance, having been absorbed in the new scales as provided above, will cease as a separate allowance.
7. Assistant Medical Officers will receive similar benefits with effect from the same dates, details of which will be the subject of separate negotiations.

Subsequently it was agreed that the maximum of Grade IV should be increased to Rs. 171/- to bring it into line with the maximum of Grade II.

Pay and Allowances of Clerical and Monthly paid staff in Darjeeling.— Following on the increase in the minimum wages granted to labour in Darjeeling it was agreed that the clerical, medical and subordinate staff in that district should receive a corresponding increase amounting to 5.8% with effect from the 1st October 1959. The revised scales of pay introduced as a result by the Darjeeling Branch Indian Tea Association are reproduced in the appendices to this report.

Pay and Allowances for Subordinate Staff in the Dooars.— Government's notification prescribing an increase in the minimum wages payable to tea garden labour also provided for the

grant of a minimum increase of Rs. 3.75 p.m. in the emoluments of subordinate staff. It was accordingly decided that Rs. 2.50 should be added to the basic wage of subordinate staff and Rs. 1.25 to the dearness allowance as long as it is at the present rate of 50%. The revised scales of pay are reproduced in the Appendices to this report.

West Bengal Plantations Labour Rules.— (a) *Appointment of Chief Inspector of Plantations and Inspectors of Plantations.*—By a notification dated the 10th November 1959 the Government of West Bengal amended sub-rules (i) and (ii) of Rule 4 of the West Bengal Plantations Labour Rules 1956 to provide for the appointment of the Labour Commissioner, West Bengal, as Chief Inspector of Plantations and of Deputy Labour Commissioners, Assistant Labour Commissioners, Labour Officers, Inspectors of Factories or Medical Inspectors of Factories as Inspectors of Plantations.

(b) *Housing Reports.*—In a notification dated the 30th July 1959 the Government of West Bengal issued draft amendments to Rule 51 of the West Bengal Plantations Labour Rules and a revised Form 4 in which progress reports on housing would have to be submitted. The amendments provided for the submission of half-yearly returns on housing instead of annual returns.

After consideration it was suggested to Government that instead of calling for six-monthly returns, which would serve no useful purpose, provision should be made for the housing returns to be submitted by the 31st May annually, as by that date the annual house building and remodelling programmes on gardens were usually completed and the returns would therefore provide a true and more realistic picture for the year. It was pointed out that house building and remodelling were based on a phased annual programme and were usually carried out during the six months of the non-manufacturing season.

Government appear to have accepted the Association's arguments regarding the submission of an annual return as a notification dated the 11th January 1960, Government issued a revised Form 4 which has only to be submitted annually for each calendar year ending the 31st December.

(c) *Protective Clothing.*—In March the Labour Commissioner, West Bengal asked for the Association's views on the protective clothing which should be prescribed for issue under Rule 72 of the West Bengal Plantations Labour Rules 1956. In reply the Association stated that in its opinion it would be sufficient if Government provided for the issue by employers of one plucking apron every two years and one hat umbrella every year to each worker.

(d) *Returns.*— On several occasions during the year the Association had to remind members of their obligation to submit the returns prescribed under the West Bengal Plantations Labour Rules on due date. In Circular Letter No. 94 dated the 3rd August 1959 members were reminded that under Rule 79 they were required to submit returns in Form 14 and Form 15 to the Chief Inspector of Plantations to show how many creches and canteens were available on gardens during the previous year despite the fact that rules relating to the provision of these amenities had not yet been brought into force. In Circular Letter No. 10 dated the 22nd January 1960 members' attention was drawn to a letter from the Chief Inspector of Plantations, West Bengal, in which it was made clear that Government were not obliged to supply forms for the submission of the returns prescribed under the West Bengal Plantations Labour Rules and that tea gardens could not claim exemption from their statutory obligations in this connection on the grounds that the forms were not available from the Plantation Inspectors. Government promised, however, to supply forms on request as far as possible.

West Bengal Housing Advisory Board : Housing Specifications for Tea Garden Labourers' Houses.— In last year's report details were given of the housing specifications which had been approved by the West Bengal Housing Advisory Board. During the year Government were asked to clarify two points in connection with these specifications, viz.

- (a) Where pucca houses were constructed with aluminium sheet roofs, would it be permissible to omit ceilings if assistance was not required under the Plantations Labour Housing Rules 1958?

- (b) Would it be permissible for tea gardens, which constructed their labour houses with flat roofs with prestressed beams, concrete slabs and waterproofing by Messrs. Shalimar Tar Products Ltd. to modify the specifications to the extent of providing 5" walls with 10" pillars on which the beams would rest instead of 10" walls all round?

In reply Government stated that ceilings would have to be provided for houses with aluminium sheeting roofs even if no assistance was asked for under the Plantations Labour Housing Rules 1958.

As regards the second enquiry Government stated that 10" pillars with 5" filler walls might be used in super structural walls where it was found structurally safe. This modification was not recommended however for places like Jalpaiguri and Terai where the rainfall was heavy. Moreover Government considered that the cost of constructing 10" walls with 8:1 cement mortar was only slightly less than that of constructing 10" pillars with 5" filler walls.

The Association is not satisfied with these rulings and it is hoped that it will be possible to reagitate the matter when another meeting of the West Bengal Housing Board is held

West Bengal Plantations Labour Housing Scheme.— In last year's report it was recorded that the Government of West Bengal had issued the Plantations Labour Housing Scheme which provided for the grant of loans to the owners of tea plantations who had inadequate resources to fulfil their obligations in the matter of housing for their Labour. During the year Government amended the Scheme because some tea garden owners had reported that they could not take advantage of the Scheme because they were unable to mortgage any portion of their estates owing to the fact that they had deposited the title deeds with their Bankers as collateral security against annual crops hypothecation loans and also because their Bankers were reluctant to issue any perpetual guarantee for any loan granted by Government. Government agreed that in such cases a workable Bank Guarantee with the following provisions would

be considered reasonable security for loans granted under the Scheme:—

- (i) The guarantee should cover the period of validity up to which the Bank would be holding the title deeds as collateral security.
- (ii) that when this validity period expired the planter would renew the guarantee when renewing his financing arrangements with the same or other Bankers.
- (iii) if fresh financing arrangements were not entered into with the Bank then the land on which the houses were being constructed should be mortgaged to Government.

It is expected that these modifications in the Scheme will facilitate its utilisation by tea gardens.

Air Services in the Dooars.— The various air fields in the Dooars continued to function successfully under the control of the local airfield Committees and the aircraft operated by Messrs. Associated Air Works under the Agreement referred to in last year's report provided a valuable service throughout the year. The Agreement with Messrs. Associated Air Works has been renewed for a further period of two years with effect from the 1st January 1960.

As in past years Messrs. Jamair Co. Private Ltd. were retained to provide air services between Calcutta and the Dooars and gardens in the Dooars agreed to ship 2½% of their crops as back loads by that Company.

West Bengal Estates Acquisition Act 1953.— The Committee to examine land utilization in West Bengal, on which the Association is represented by the Deputy Chairman, held a further meeting on the 27th and 28th February. The trends noted in last year's report continued, and except in a few cases the results were more satisfactory than might at one time have been expected. In those cases where matters of principle were involved it was agreed that the Association might submit a Memorandum of Dissent, which would be forwarded to the Government along with the Committee's report.

West Bengal Agricultural Income Tax—Test Cases.— (a) The test case referred to in the Report for 1958 regarding the validity of the ruling that bamboo, thatch, etc., were not agricultural income under the Agricultural Income Tax Act, which was decided against the Association in 1957 in the High Court, was the subject of appeal to the Supreme Court. The appeal was admitted on the 24th November 1959 and the case was still sub-judice at the end of the year. Meanwhile the Government of West Bengal declined to intervene and to pass orders exempting thatch, bamboo, etc. from the operation of the Act. Further representations are being made to Government.

(b) A further test case also arose during the year by reason of the disallowance by the Agricultural Income Tax Officer of certain trade subscriptions (including the subscription to the Association) paid by a member company. The Agricultural Income Tax Appellate Tribunal acceded to the request of the Commissioner, Agricultural Income Tax, West Bengal, to refer to the High Court a point of law under Section 63(1) of the Act. The case is proceeding.

(c) In 1957 members in West Bengal were advised that the High Court had been asked to consider whether under the Bengal Agricultural Income Tax Act 1944 it was possible to set off a loss under one item of agricultural income against the profit of a subsequent year. In a judgment dated the 2nd December 1959 the Calcutta High Court ruled that the assessee, having suffered a loss under one head and having no income under a second head in that year must by Section 26(2) of the Bengal Agricultural Tax Act 1944 be deemed to have suffered a loss to that extent in that year and that the loss so incurred could be and was rightly carried forward to the following year and set off against the profit for that year.

Assessment of Electricity Duty.— Early in the year the Association was informed by a member that Inspectors from the Electricity Directorate of the Government of West Bengal were pressing tea gardens to instal meters for the measurement of electricity generated and consumed by them and were refusing to follow the practice formerly adopted of calculating duty on

the basis of an assessment made after taking into account the number of points etc. in the establishment.

No reason had been given for this change in procedure and the Association therefore wrote to the Chief Electric Inspector of the Electricity Directorate asking him to clarify the position and suggesting that the demand for the installation of meters was unnecessary and wasteful not only of the resources of the companies concerned, which were in serious financial difficulties, but also of foreign exchange because such meters were not manufactured in India and would have to be imported. Furthermore, electricity meters would have to be supplied from Calcutta and would require expert attention before installation, which was not easily available in the tea districts.

In reply the Chief Inspector stated that the installation of meters was prescribed under Rule 9 of the Bengal Electricity Duty Rules and that no general relaxation from the provisions of this rule could be granted to tea gardens. Assessment, which was provided for in the first proviso to the rule, could only be made after considering the merits of each individual case.

The Association considered the procedure suggested unnecessarily cumbersome. Electrical firms of repute such as Messrs. G. E. C. and British Insulated Cables had advised members that D. C. meters were not manufactured in India and that they were not in a position to import such meters against their existing quota licences as they had no quota to spare on this account. Gardens would therefore have to arrange importation against actual users' licences, a procedure which was time consuming. As all gardens in West Bengal were concerned the imports would involve the expenditure of a substantial amount of foreign exchange which in present circumstances seemed unnecessarily wasteful. In the circumstances it was suggested that the Government of West Bengal's sanction to a general exemption should be obtained. Unfortunately the Chief Inspector could not accept the Association's plea and it was necessary to recommend to the members concerned that individual applications for assessment should be submitted in respect of the gardens under their control.

Representation on Local Bodies.-- At the request of the Darjeeling Branch Indian Tea Association the Deputy Chair-

man addressed the Chief Secretary to the Government of West Bengal to ask that Government should accept the convention that a representative of the Branch should always be a member of the District Board and of the Regional Transport Authority as well as of the District Development Council and of the District School Board.

It was pointed out that one third of the total population of the Darjeeling district lived on tea estates and that it would be safe to say that there were no public activities which did not infringe, in some way or another, upon the Industry and its fortunes. Government had been good enough to appoint members of the Branch to the District Board and to the Regional Transport Authority but had not granted the Industry any representation on the District Development Council or upon the District School Board. In view of the importance of the Tea Industry in the Darjeeling District and of the desirability of allowing the Industry to be associated more directly with the life of the district as a whole it was urged that representation should be granted to the Branch on the bodies on which it had so far not found a place and that it should be suggested to the District authorities that the association of the Tea Industry in the District's affairs through representation upon local bodies should be encouraged. The Chief Secretary's reply is awaited.

Darjeeling District School Board.— In a notification dated the 18th March 1959 the Government of West Bengal published for information a list of the persons who had been appointed as members of the Darjeeling District School Board. It was noted that the Darjeeling Branch had not been given any representation on this Board and at the Branch's request Government was asked to reconsider the matter and to grant a seat on the Board to the Branch. It was pointed out that when the Board was constituted in 1954 Mr. B. N. Cress the then President of the Darjeeling Branch had been appointed as a member of the Board under clause (b) of Section 6 of the Bengal (Rural) Primary Education Act, 1930. Tea gardens in Darjeeling and education cess and maintained a large number of primary schools for the education of tea garden workers and in the circumstances it seemed only equitable that they should be allowed representation on the School Board.

Government, however, regretted their inability to accede to the Association's request stating that the provisions of the Bengal (Rural) Primary Education Act, 1930 being what they are, it was not possible to ensure a permanent seat for a representative of the Indian Tea Association on the Board as Government had to consider other interests as well.

It is hoped, however, that the representations made by the Deputy Chairman to Government on the general question of Branch representation on local bodies will secure a seat for the Branch on the School Board.

Flood Control in North Bengal.— In view of the vulnerability of the Dooars to severe flooding during the monsoon, the widespread devastation which has occurred in the past, and the continued need for largescale protective works, this subject continued to receive the Association's close attention throughout the year. In particular, representations on various aspects of the problem were made through the medium of the North Bengal Flood Control Advisory Committee, on which the Association is represented by its Chairman, Mr. D. L. Betts. In addition, the Chairman took every opportunity of discussing flood problems with Ministers of the Government of West Bengal and, among others, discussions were held with and notes submitted to the Chief Minister and the Minister for Irrigation and Waterways. The main problems on which representations were made by the Association, and the position reached at the end of the year, were as follows:—

- (1) A very serious threat was caused by the River Raidak moving westward from its main bed during the 1958 monsoon, with consequent danger to properties in the vicinity including a number of tea estates. The Association made several representations regarding the urgent need for training and protective works to prevent further depredations by this river, and at one stage it appeared that Government favoured a scheme which might have the effect of diverting the river in such a way as to endanger other estates. Latterly however this scheme was dropped and Government have given an assurance that protective works will

be carried out during the current cold weather which will meet the industry's needs and guard against further damage during the next monsoon.

- (2) The need for a road bridge over the River Toorsa has been evident for a number of years and hitherto Government have had before them a number of conflicting schemes as to the site of the proposed bridge and there has been some support for two separate bridges to be constructed below the point where the river bifurcates. At a meeting of the North Bengal Flood Control Advisory Committee held in December, however, it was announced that agreement had been reached in principle on the construction of a single bridge at a site in the vicinity of the present railway bridge, before the river bifurcates, and that the project was expected to be put up for financial sanction in the near future.
- (3) The present road bridge over the River Dudua, which is the only road link between the Central and Western Dooars during the rains, has been regarded as unsafe for several years and repeated pleas have been made for its reconstruction. At the end of the year it was understood that a scheme for the replacement of this bridge at a cost of Rs. 24 lakhs had been submitted to the Central Government for approval, though it seems unlikely that sanction will be obtained in time for the new bridge to be constructed before the next monsoon.
- (4) Finally, at the most recent meeting of the North Bengal Flood Control Advisory Committee some mention was made of Government considering the imposition of a betterment levy on tea estates which benefited from flood control works. The Association considers that there is absolutely no justification for such a levy and has protested against the proposal to the Government of West Bengal.

Road Communications in North Bengal.— As in the past, the Association during 1959 took every opportunity of pressing for improvements in road communications in North Bengal. In

particular, the Chairman of the Association discussed this subject with the West Bengal Chief Minister and his suggestions as to the improvements most urgently necessary were subsequently embodied in notes which were forwarded to the Chief Minister.

A notably weak feature of the communication system in North Bengal has been the liability of National Highway No. 31 to be breached at various points during the monsoon, with the result that at times the Highway degenerates into a series of unconnected stretches of road. The Association suggested to Government that the weakest points on the National Highway were at the crossing of the Toorsa, where there has hitherto been no permanent bridge, the crossing of the Dudua, where the present bridge is unsafe because of weak foundations, and the crossing of the Dem Dima, where there exists only a low level wooden bridge which is not regarded as a permanent structure. The Association urged that new permanent bridges should be constructed at all of these points and that the need for strengthening the National Highway No. 31 should be dealt with on its own merits and not delayed further while consideration was being given to changes in the alignment of the Assam Rail Link. As noted elsewhere, plans are afoot to construct new bridges over the Toorsa and the Dudua, but no decision has yet been announced regarding the construction of a new bridge over the Dem Dima.

Roads maintained by the local boards are among the poorest features of communications in North Bengal, largely because of the lack of adequate financial resources on the part of the Boards, and for a number of years the Association has pressed for the responsibility for the upkeep of these roads to be taken over by the Public Works Department. This subject also figured in the representations which the Association made during the year, and Government's attention was particularly drawn to the need for improving the following roads:—

Eastern Dooars

- (a) Kalchini—Panabusti—Jaigaon
- (b) Nimgaon River to Rydak

(c) Kartick to Alipurduar

(d) Madarihat—Nilpara—Hasimara

Western and Central Dooars—

(a) Patharjhora—Oodlabari Bazar—Apalchand

(b) From Main Road South to Dam Dim

(c) Matelli Bazar—Neora River

(d) Madarihat—Hantapara

(e) Binnaguri —South to National Highway No. 31

Of the foregoing roads, the Association urged that special attention should be devoted to the road from Kalchini to Panabusti which serves a total of 8 tea estates and is of special importance to the tea industry.

Hitherto the State Government has not been able to assume increased responsibility for district board roads or to undertake any largescale programme of road betterment because of financial stringency, but when representatives of the Association met the West Bengal Chief Minister at the end of 1957 in order to discuss an increase in the rate of Agricultural Income Tax which was introduced at that time, the Chief Minister indicated his willingness to utilise the increased revenue thus arising in the tea districts on the improvement of road communications. Despite a long series of reminders to Government on this subject however, no further progress was made in securing increased financial allocations for road improvement, and eventually during 1959, on the Association renewing its representations, Government stated that it was not their practice to earmark the receipts from general taxes for expenditure on specific projects. While admitting that this was so, the Association reminded Government of the assurance which had been given by the Chief Minister and suggested that, even though there might be no specific earmarking of tax receipts, it should nevertheless be possible for Government to devote additional finance to road improvement. At the time of writing however, no further communication has been received from Government.

Roads in Darjeeling: Proposed road from Bijanbari Pulbazar to Darjeeling via Lebong.— During the year representations were made to the West Bengal Government requesting them to reconsider the alignment of the proposed Pulbazar/Bijanbari Darjeeling Road. It was pointed out to Government that, if the road was constructed in accordance with the original alignment, some of the best tea producing areas in Darjeeling would be destroyed.

West Bengal Flood Relief Fund.— The Association made a donation of Rs. 10,001 to the West Bengal Chief Minister's Flood Relief Fund.

Training of Dais at Darjeeling.— As in previous years the courses organized by the Deshbandhu Dai Training Society at Darjeeling continued to be held, and nominees from tea gardens attended. The applications for admission were again forwarded through the Association and the Tea Board.

Tuberculosis Sanatorium, Darjeeling.— At a meeting held in March 1959 the Tea Board decided to continue to give financial assistance to medical institutions which offer specialized treatment. It became apparent however during correspondence that this assistance could only take the form of a grant for capital expenditure and that the Tea Board were not prepared to endow beds. The matter is accordingly being re-examined to ascertain whether an extension could or should be made to the S. B. Dey Sanatorium at Kurseong.

Dooars & Darjeeling Nursing Home.— The Dooars and Darjeeling Nursing Home was again well used and efficiently managed during the year. The rates of subscription remained unchanged as follows:—

For gardens in Darjeeling	Rs. 1'50 per acre
For gardens in Terai	Rs. 1'25 per acre
For gardens in the Dooars excluding Eastern Dooars	Rs. 0'60 per acre
For gardens in the Eastern Dooars	Rs. 0'40 per acre
Special Health Service Scheme	Rs. 1'50 per acre

Darjeeling Chaplaincy Fund.— In 1948 the Association gave an assurance to the Metropolitan of India that on condition that a chaplain was maintained in Darjeeling an annual contribution of Rs. 5,000 would be guaranteed by the Industry to assist in the upkeep of this chaplaincy. During the year under review Agency House gardens in the Darjeeling District contributed at the rate of 30 nP. per acre to raise the guaranteed sum and the total collection, which amounted to Rs. 5,112/05. was paid to the Bishop of Barrackpore under whose jurisdiction Darjeeling falls.

G. CARLTON,
Chairman,

Royal Exchange.
Calcutta, 15th February, 1966.

Darjeeling & Dooars
Sub-Committee.

REPORT OF THE SCIENTIFIC DEPARTMENT
SUB-COMMITTEE FOR THE YEAR ENDING
31ST DECEMBER, 1959.

The following persons served as members of the Scientific Department Sub-Committee during 1959.

Mr. N. S. Coldwell, M.C., (Chairman)	}	Messrs. James Finlay & Co., Ltd.
Mr. A. N. Sircar	}	
Mr. P. B. Nicholls (Vice-Chairman)	...	Messrs. Williamson Magor & Co., Ltd.
Mr. E. H. Adams	...	Messrs. Jardine Henderson Ltd.
Mr. M. S. Christie	...	Messrs. Duncan Brothers & Co., Ltd.
Mr. A. C. H. Dolphin	}	Messrs. Shaw Wallace & Co., Ltd.
Mr. D. B. Wallace	}	
Mr. A. K. J. Henderson	...	Messrs. James Warren & Co., Ltd.
Mr. G. Kydd	...	Messrs. Octavius Steel & Co., Ltd.
Mr. G. F. Oldham	...	Messrs. Andrew Yule & Co., Ltd.
Mr. E. A. Pitcairn	}	Messrs. Macneill & Barry Ltd.
The Hon'ble S. P. Sinha	}	
Mr. E. F. Studd	}	
Mr. G. A. Whitaker	...	Messrs. Gillanders Arbuthnot & Co., Ltd.
Mr. C. D. Wilson	}	Messrs. Balmer Lawrie & Co., Ltd.
Mr. H. K. FitzGerald	}	
Mr. A. Lawrie	}	

Organisation of the Tocklai Experimental Station.— At the end of the year under review the Senior Staff at the Experimental Station consisted of:—

Tocklai Establishment—

Director	...	Mr. H. Ferguson
Scientific Officer (Headquarters)	...	Mr. A. D. Swan

Advisory Officer	...	Mr. W. Hadfield
Maintenance Engineer	...	Mr. N. C. Barua

Botanical Branch—

Senior Botanist and Plant Physiologist	...	Dr. W. Wight
Plant Physiologist	...	Dr. D. N. Barua
Selection Officer	...	Mr. M. J. Green
Additional Officer	...	Mr. P. K. Barua

Agricultural Branch—

Senior Agriculturist	...	Mr. S. K. Dutta
Assistant Agriculturist	...	Mr. S. K. Basu
Agronomist	...	Dr. K. N. Sharma

Soil Chemistry—

Senior Physical Chemist	...	Mr. N. G. Gokhale
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Tea Chemistry and Technology—

Senior Bio-Chemist	...	Dr. I. S. Bhatia
Assistant Bio-Chemist	...	Dr. N. B. Chanda
Senior Manufacturing Adviser	...	Mr. J. M. Trinick
Assistant Tea Taster	...	Mr. R. Choudhury

Plant Pathology—

Senior Entomologist	...	Dr. G. M. Das
Mycologist	...	Mr. K. C. Sarmah
Assistant Mycologist	...	Dr. V. Agnihothru
Testing Officer	...	Dr. T. D. Mookherjea

Statistics—

Senior Statistician	...	Dr. A. R. Sen
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Engineering Department—

Senior Research Engineer ... Mr. I. McTear

Assistant Research Engineer Mr. D. N. Borbora

Organisation in the Advisory Services—

ASSAM

Senior Advisory Officer ... Mr. P. M. Glover

Advisory Officer, North Bank Mr. D. J. Gray

Additional Advisory Officer Dr. P. C. Sharma

Advisory Officer, Cachar Mr. E. D. Heath

WEST BENGAL

Senior Advisory Officer ... Mr. R. I. Macalpine

Advisory Officer, Darjeeling Mr. W. J. Grice

Assistant Advisory Officer Mr. H. Mitra

Staff.— (a) *Leave.* The Director was on leave and duty in the United Kingdom from the 23rd July to the 1st October, his place being taken in his absence by Dr. Wight and by Mr. N. G. Gokhale when Dr. Wight himself proceeded on leave on the 24th August. Mr. McTear, Senior Research Engineer, was on leave from the 1st March to the 17th July. Mr. E. D. Heath, Advisory Officer, Cachar, from the 13th April to the 11th September and Mr. R. I. Macalpine, Senior Advisory Officer, West Bengal, from the 1st June to the 1st November. Mr. J. M. Trinick, Senior Manufacturing Adviser, returned from leave on the 23rd May.

Mr. S. Basu and Dr. V. Agnihothrudu spent normal leave in India during the year.

(b) *Visits.*—Mr. S. K. Dutta, Senior Agriculturist, paid a visit to Iran as a member of an Indian Government Delegation from the 25th September to the 8th October. Dr. A. R. Sen, Senior Statistician, attended the Indian Science Congress in New Delhi and the Indian Society of Agricultural Statisticians

meeting in Gwalior in January, while the Senior Biochemist, Dr. Bhatia and the Agronomist, Dr. K. N. Sharma, also attended the Indian Science Congress.

(c) *Transfers*.—Mr. W. Hadfield, Advisory Officer, was seconded to the West Bengal Advisory Branch, Dooars, during the absence on leave of Mr. Macalpine.

(d) *Promotions etc.*—(i) *Tea Chemistry and Technology*. Mr. J. M. Trinick, Tea Taster, was appointed on the 1st January to the newly created post of Senior Manufacturing Adviser and was given a new contract.

(ii) *Plant Pathology*.—Dr. T. D. Mookherjee, Testing Officer, was confirmed in his appointment in the Additional Officer Grade in February.

(e) *New Appointments—Tea Chemistry and Technology*.—Mr. R. Choudhury was appointed as Assistant Tea Taster in the Additional Officer Grade on the 1st July.

(f) *Accommodation*—

- (1) *Tocklai*.—During the year an extension flat was built on to the rear of the Guest House. This is at present occupied by the Assistant Tea Taster, Mr. R. Choudhury, but its use is also envisaged as a self-contained suite for important visitors.

A commencement was made on the building of a new Agricultural Laboratory which is now nearing completion. An extension to the Dispensary and the construction of Power House Attendants Quarters were completed during the year, and an extension to the Entomology Laboratory was also constructed to provide accommodation for the Pesticide Testing Unit.

- (2) *Advisory Branches*.—Construction was completed of the new bungalow on the North Bank and it was occupied by Mr. D. J. Gray. Mr. W. J. Grier, Advisory Officer, Darjeeling, occupied a house purchased for the purpose, after carrying out certain renovations.

Branches.— The Physico-Chemical Branch continued its work on foliar analysis, seasonal variation of soil nitrogen and phosphate recovery of green crops. Studies on the long term effects of continuous cropping and of manuring and shade on soil nitrogen and on soil calcium continued. Investigations on the nitrogen and carbon status of Darjeeling soils in relation to elevation and aspect were started during the year.

The Botanical Branch continued its work on tea breeding and propagation according to programme, and a number of progenies were tasted throughout the year. About 70,000 pre-treated cuttings of selected clones were distributed to members during the year. Work on illumination and nutrients has continued and further results have been obtained on the relation between illumination and different clones. Work on morphology of the tea plant concentrated mainly on the study of the "phloem index" and sclereids on tea leaves. Publications on this and other aspects of the branches work appeared during the year.

The Agricultural Branch carried on its programme of field experiments both at Borbhetta and in the tea growing districts. These included both long and short term experiments and covered all aspects of tea culture. Particular attention continued to be paid to manuring, shade and pruning. Results continue to indicate the relative inferiority of urea as a nitrogenous manure for tea. Short term experiments on the establishment and pruning of young tea and on weed killers were conducted during the season.

In the Plant Pathology Branch the Entomology Section concentrated its efforts on the study of Red Spider. Studies on Thrips, Coccids and Shade Tree pests were also carried out, and minor investigation and advice were rendered on several other pests of tea. The Mycological Section continued its studies of Tea Flower Diseases, Root Rots and Black Rot, and provided advice and did minor investigations on several other tea diseases. The Pesticide Testing Unit had under test during the year a number of acaricides, insecticides, fungicides, and nematocides. Some of the first showed considerable promise

against red spider. Work on standardisation of techniques and other aspects of testing continued.

The Biochemical Branch continued its investigations on the chemical constituents of the tea leaf, studying particularly Polyphenols, carbohydrates, organic acids, anthocyanins and volatile substances. As usual the branch co-operated in manufacturing trials.

The Tea Tasting Unit was developed into the Manufacturing Advisory Branch in 1959 and in addition to the usual work of tasting experimental, clonal and other samples, a considerable amount of advice on manufacture was given during the season, particularly in connection with rotorvane manufacture.

The Statistical Branch continued the work started in 1958 and preliminary results of the Pest and Disease Survey became available during the year. Useful data on the best size and shape for experimental plots for tea has been obtained from uniformity trials. Certain correlations between yield of tea and weather are being investigated.

The Engineering Development Branch continued its trials with the Continuous Withering Machine and the Reciprocating Roller during the year, and both these machines were considered ready for full scale factory trials at the end of the season. Refinements were made to the Rotorvane as a result of practical garden experience and further development was done on the Drying Machine. The Mechanical Harvester and the Mechanical Pruner were used during the season.

* The Advisory Services in Assam and West Bengal worked at full capacity throughout the year. In Assam including South Bank, North Bank and Cachar a total of 389 gardens were visited during the year, of which 36 were not members of the I.T.A. Calcutta. In West Bengal including Dooars, Darjeeling and Terai a total of 279 gardens were visited, of which 40 were not members of the I.T.A. Calcutta. The total figures were higher than last year in all regions, though there was a fall in the number of non-member gardens visited. The advisory branches continued to co-operate in conducting field

experiments in their districts, and carried out a number of minor investigations of local interest.

Tocklai Annual Conference.— The Tocklai Annual Conference was held at the Experimental Station from the 17th to the 19th November. The subjects this year were "Pest Control" and "Plucking in Relation to Pruning". The Conference was again a great success, not least because of the visit of Mr. D. W. Tull, the Association's Consultant Engineer in the United Kingdom, whose demonstrations and explanations of the continuous system of tea manufacture were attended with much interest by delegates.

Tocklai Lecture Courses.— In 1959 three general lecture courses in tea culture were held at Tocklai between the 23rd February and the 14th March. These were conducted by the Advisory Officers and were each attended by about 25 members, including representatives from other Producer Associations. Each course was of six days duration, covering all main aspects of tea culture and manufacture, and included lectures and practical demonstrations.

In addition two short courses on vegetative propagation were held as usual in November. An innovation this year was that these courses were made available to non-members as well as to members.

Jorhat Exhibition.— As in previous years a Tocklai stall was organized by the Advisory Branch at the Jorhat Club Race Week Exhibition held between the 9th and 14th February. The stall was designed to illustrate the work of the Scientific Department for the benefit of the Tea Industry. It proved very popular and attracted a large number of visitors.

Assam Political Conference.— A stall was also arranged at the Assam Political Conference held at Dibrugarh between the 26th January and the 1st February. This too proved a great attraction.

Special Allowance for Tocklai and Borbhetta Labourers.— For the period covered by the Delhi Bonus Agreement (1953-1956) a special allowance in lieu of the normal bonus had

been paid to the labour at Borbhetta and Tocklai at the rate of Rs. 30 a head per annum. It was agreed that this should continue in respect of 1957 and 1958 at the same rate as formerly, following the settlement of the bonus question for tea gardens for these two years.

Accounts.— It had been decided in 1958 that a bi-annual audit of Tocklai accounts should be instituted to replace the annual audit, so that the finalisation of the accounts might be expedited at the end of the financial year. Steps were taken in 1959 to institute this procedure, which is expected to come into full effect during 1960.

Labour Relations.— (i) Early in the year the award was announced of the Tribunal mentioned in last year's Report, which was set up to adjudicate on a dispute with the Tocklai Employees' Union regarding their terms of service. The award was partly in the Association's favour and partly against. The adverse findings related to the award of increased house allowance and a special "Puja Bonus", and the Association decided to contest the latter. Accordingly leave to appeal to the Supreme Court was sought and granted, whereupon the Union also obtained leave to appeal against the award. In the meantime the Association applied for a stay order, which was granted subject to the proviso that the Management should pay bonus as awarded by the Tribunal to any worker entitled to it who could furnish the Association with satisfactory security that he would be able to repay the amount in the event of the Association's appeal being upheld.

(ii) In the case of the Tribunal concerning a deceased employee who had previously been discharged for misconduct, the High Court made absolute the rule obtained by the Association and the proceedings were thus terminated in the Association's favour.

(iii) The negotiations which had been conducted with the Union over a period of some years regarding the status of certain grades of the Subordinate Staff, such as bottle-washers, ended in deadlock, despite the efforts of the Conciliation Officer. The latter therefore had no option but to signify his intention

of referring the dispute to a Tribunal, which is expected to commence hearings in 1960.

(iv) It was agreed during 1959 that some form of Provident Fund or Savings Scheme for the daily-paid workers at Tocklai and Borbhetta was desirable and should be instituted as early as possible. Negotiations with the Union regarding the introduction of such a scheme and the form it should take are proceeding.

Despite the foregoing, relations with labour remained generally amicable.

Visits.— (a) Mr. D. W. Tull, the London Consultant Engineer of the Association, visited Tocklai during November in the course of a visit to India in connection with the production of the component machines of the continuous process of tea manufacture. His visit, which coincided with the Annual Conference proved most valuable and was much appreciated.

(b) Sir Percival Griffiths, C.I.E. the London Adviser of the Association, visited Tocklai during December to review the organization of the Station and the Department generally.

(c) As in former years the Station received a large number of other visitors, among whom were members of a Delegation of Senior Representatives of the Iranian Tea Industry. The Fertiliser Technical Committee of the Government of India visited Tocklai in July and two Trade Representatives in India of the USSR paid a short visit during May.

Tea Board Research Liaison Committee.— During the year the Director continued to represent the Association on the Tea Board Research Liaison Committee and attended meetings as required. While the Director was on leave his place was taken by Mr. N. G. Gokhale, the Senior Physical Chemist. The Director was also in constant touch with the Tea Board on other scientific matters affecting the Industry.

Fertilizer Development Committee of the Government of India.— A meeting took place on the 3rd July between the Government of India Fertilizer Development Committee and the Director and Senior Members of the Tocklai staff, at which the Tea

Industry's special requirements of fertilizers were discussed in relation to the Government's proposal to build a fertilizer factory in Assam, and in relation to the natural resources available in the State. The subject was also discussed at a special meeting on the 31st August of the Tea Board Tea Research Liaison Committee, and the Association's views were explained at great length.

Scientific Department Publications.— In addition to the usual Quarterly and other Reports issued by the Scientific Department the following articles were published in Indian and Foreign Scientific Journals, and by the Association in its own publications.

Articles in Scientific Journals etc.

1. Nomenclature & Classification of the Tea Plant by W. Wight.
2. Soil Nitrogen Status under Continuous Cropping and with Manuring in the Case of Unshaded Tea by N. G. Gokhale.
3. Problems of Pest Control in Tea by G. M. Das.
4. The Economic Status of the Blank Thrips (*Haplothrips Tenipennis* Bagnall) occurring in Tea by G. M. Das and H. N. Dev
5. Bionomics of the Tea Red Spider (*Oligonychus Coffene*, Nietner) by G. M. Das.
6. A New Psychid on Tea from Assam (*Lepidoptera, Heterocera*) by G. M. Das.
7. The Chemical Aspects of Tea Manufacture by I. S. Bhatia and N. B. Chanda.
8. Mineral Content of Shaded Tea Leaves by D. N. Barua and K. N. Dutta.
9. The Interaction of Flavanol Orthoquinones with Cysteine and Glutathione by E. A. H. Roberts.

10. Some Trace Constituents of Black Tea by M. Myers, E. A. H. Roberts and D. W. Rustidge.
11. Enzymes—by I. S. Bhatia.
12. Leaf Sclereids in the Taxonomy of *Thea Camellias*—I. Wilson's and Related Camellias by P. K. Barua and W. Wight.
13. Notes on Fungi from North-east India—III, *Cylindrocarpon tenue* Bugnicourt (Syn. *Gliocladiopsis sagariensis* Saksena), by V. Agnihothrudu.
14. Notes of Fungi from North-east India—IV, Myxomycetes, Parts I and II, by V. Agnihothrudu.
15. Termites Affecting Tea in North-east India and Their Control by G. M. Das.
16. Occurrence of Chondromyces in the Rhizosphere of Plants by V. Agnihothrudu, G. C. S. Barua and K. C. Barua.
17. Chemistry and Technology of Tea by I. S. Bhatia.
18. Enzymes Related to Carbohydrate Metabolism in Tea Leaf by I. S. Bhatia, S. B. Deb and M. N. Dev Choudhury.
19. Top Growth of Cultivated Tea by D. N. Barua.
20. Observations on the Association of Ants with Coccids of Tea by G. M. Das.

Journals

1. Annual Report of the Scientific Department for 1958.
2. Two and A Bud (Toeklai News Letter) Vol. VI, Nos. 1, 2, 3, 4.
3. Cachar Quarterly Vol. IV, Nos. 1, 2 & 3.
4. Memorandum No. 25 "Report on a Tour of the U.S.S.R. and Seven East European Countries – Summer 1958 by N. G. Gokhale.

Tea Encyclopaedia Serials

New Serials.

130. Degree of Wither and its Effect on Firing.
131. General Index of "Two and A Bud" Vol. I-V, 1954-1958.
132. Sweet Potato (*Ipomoea batatas*).
133. Maize (*Zea mays*).
134. Tapioca (*Manihot utilissima*).
135. Wheat (*Triticum* sp).
136. Potato (*Solanum tuberosum*).
137. Ragi (*Eleusine coracana*).
138. Jowar (*Andropogon sorghum*)
139. Sugarcane Cultivation.
140. Mustard (*Brassica nigra* or *Synapis nigra*).
141. Cowpea (*Vigna catieng*).
142. Metric System—Conversion Factors.
143. Metric System—Conversion Tables—Length.

Revised Serials.—

- 22/2. Care and Maintenance of Tea Seed baries.
- 110/1. Compatibility of insecticides, acaricides fungicides commonly used in Tea.
- 77/2. Control of Termite Attacking healthy Tea
- 60/1. Drought.
- 10/3. Pruning of Young Tea (Assam kinds).
- 111/1. Silviculture of Shade.
- 108/1. Tea Seed Nurseries.
- 64/1. Violet Root Rot.

N. S. COLDWELL.

Royal Exchange,

Calcutta,

9th February, 1961

Chairman,

Scientific Department

Sub-Committee.

INDIAN TEA ASSOCIATION.

STATEMENTS OF ACCOUNTS

For the year 1959.

INDIAN TEA
BALANCE SHEET

LIABILITIES	Rs.	pP.	Rs.	pP.
CAPITAL ACCOUNT :—				
As per last Balance Sheet ...	29,87,025	45		
Add : Surplus for the year ...	32,48,818	54		
	62,35,843	99		
Less : amount transferred to Scientific Department ...	37,83,553	62		
			24,52,290	37
SPECIAL LEVY FOR LEGAL EXPENSES :—				
As per last Balance Sheet ...	39,869	94		
Less : expended during the year ...	12,495	00		
			27,374	94
SUPERANNUATION FUND :—				
As per last Balance Sheet ...	8,00,000	00		
Addition during the year ...	4,00,000	00		
			12,00,000	00
SUNDRY CREDITORS :—				
For expenses ...	42,181	40		
„ other finance ...	7,568	97		
Lokpriya Bordoloi Memorial Fund ...	30,600	19		
Planters Amenities Fund ...	95,256	97		
Staff Savings Fund ...	9,516	24		
Calcutta School of Tropical Medicine ...	89	97		
Advance subscriptions ...	57,888	21		
			2,43,101	95
TOTAL RS. ...			39,22,767	26

AUDITORS' REPORT.

We have audited the foregoing Balance Sheet of Indian Tea Association as at 31st December, 1959 and the Income and Expenditure Account for the year ended on that date in which have been incorporated the certified returns from the Indian Tea Association, London. We have obtained all the information and explanations we have required. Subject to our report of 1st March concerning the returns from the Director, Tocklai Experimental Station, in our opinion the Balance Sheet sets forth correctly the position of the Association according to the best of our information and the explanations given to us and as shown by the books of the Association.

Calcutta, the 4th March, 1960.

LOVELOCK & LEWIS,
Chartered Accountants.

ASSOCIATION

as at 31st December, 1959.

ASSETS		Rs.	nP.	Rs.	nP.
FIXED CAPITAL EXPENDITURE					
(as per schedule)					
Labour Department	...	7,41,120	00		
Engineering Department	...	2,67,736	00		
General	...	1,68,034	00		
				11,76,890	00
OUTSTANDINGS					
Subscriptions	...	40,683	36		
Interest accrued	...	10,639	81		
Sundries	...	59,907	90		
				1,11,231	07
ADVANCES					
DEPOSITS	...	...	...	1,01,415	97
Telephone	...	7,407	50		
Sundries	...	3,365	00		
				10,772	50
INVESTMENTS at Cost					
3½ National Plan Bonds					
1961 for	Rs. 7,50,000 -	7,44,609	37		
3½ Bonds 1962	„ 1,01,800 -	99,636	75		
4 Loan 1960 70	„ 1,00,000 -	1,01,468	75		
3½ Loan 1969	„ 1,01,100 -	99,937	35		
4 Loan 1979	„ 2,00,000 -	2,00,000	00		
(Market value Rs. 12,74,892.12)				12,45,652	22
CASH					
With State Bank of India on Current A/c.	...	4,61,908	13		
-do- on Fixed Deposit	...	8,00,000	00		
„ Indian Tea Association					
London at National & Grindlays Bank Ltd. A/c.					
Development Panel	... £351-18-1	4,700	27		
„ Adviser Shillong at					
State Bank of India	... Rs. 8981-78				
On hand	... „ 215-32	9,197	10		
„ Labour Adviser, Darjeeling Branch,					
Indian Tea Association on Imprest					
Account	...	1,000	00	12,76,805	50
TOTAL RS.				39,22,767	26

W. D. BRYDEN,
Secretary.D. L. BETTS,
Chairman.

INDIAN TEA

Schedule of Fixed

	Cost to 31st December 1958		Additions 1959		Sales during 1959	
	Rs.	nP.	Rs.	nP.	Rs.	nP.
LABOUR DEPARTMENT						
Bungalow and Staff Quarters						
Jorhat A. C. Labour Officer...	1,43,009	62	...	...	...	...
" A. L. O.	1,87,801	09	20,189	00	...	...
Dooars " Labour Officer ..	3,17,642	86	...	...	...	...
" A. L. O.	1,82,591	76	...	...	...	...
Sonabheel " Labour Officer ..	40,407	59	...	...	...	...
" A. L. O.	2,16,306	62	17,313	27	...	...
Secretary's Bungalow at Surma Valley	36,276	75	...	...	...	...
Office & Equipment	27,054	92	1,086	11	...	...
Bungalow Furniture	86,324	21	7,674	05	...	...
Leasehold Land at Darjeeling	3,977	50	...	...	...	...
Total	12,41,392	92	46,262	43	...	...
ENGINEERING DEPARTMENT						
Withering Chamber	66,148	81	...	...	...	...
Machine Tools Equipment & Instrument	41,477	96	1,492	60	...	...
Furniture & Fittings	10,473	32	...	...	...	...
Bungalow	1,20,189	67	...	...	...	...
Power House and Workshop Building	53,933	94	...	...	...	...
Electrical Installation	1,51,496	59	...	...	...	...
Pilot Factory & Prototype Machinery	4,16,711	49	95,800	22	...	...
Engineers' Office at Tecklai	12,174	53	...	...	...	...
Engineering Staff Quarters	31,340	32	...	...	...	...
Total	9,03,946	63	97,292	82	...	...
GENERAL						
Motor Cars	2,10,760	29	...	...	5,467	22
Advisers' Air Conditioning Plant	34,192	19	7,661	17	...	...
Advisers' Furniture and Fittings	68,653	23	11,283	17	1,681	10
Furniture & Fittings	15,112	56	921	64	...	...
Shillong Advisers' Office Equipment	3,965	21	...	...	...	...
Advisers' Equipment	3,781	62	...	...	...	...
Total	3,36,465	10	19,265	98	7,148	32

ASSOCIATION

Capital Expenditure.

Cost to 31st December 1959		DEPRECIATION						Balance as at 31st December 1959	
		to 31st December 1958		for 1959		to 31st December 1959			
Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.
1,43,009	62	73,815	62	6,919	00	80,734	62	62,275	00
2,07,990	09	53,464	09	15,453	00	68,917	09	1,39,073	00
31,642	86	1,40,383	86	17,726	00	1,58,109	86	1,59,533	00
1,82,591	76	58,445	76	12,415	00	70,860	76	1,11,731	00
40,407	59	18,273	59	2,213	00	20,486	59	19,921	00
2,33,619	89	54,550	62	17,907	27	72,457	89	1,61,162	00
36,276	75	3,627	75	3,265	00	6,892	75	29,384	00
28,141	03	27,054	92	1,086	11	28,141	03	...	...
93,998	26	29,508	21	6,449	05	35,957	26	58,041	00
3,977	50	3,977	50	...	...	3,977	50	...	...
12,87,655	35	4,63,101	92	83,433	43	5,46,535	35	7,41,120	00
66,118	81	66,148	81	...	...	66,148	81	...	...
42,970	56	34,524	96	4,222	60	38,747	56	4,223	00
10,473	32	4,852	32	562	00	5,414	32	5,059	00
1,20,189	67	56,316	67	6,387	00	62,703	67	57,486	00
53,933	94	21,231	94	3,270	00	24,501	94	29,432	00
1,51,496	59	1,03,515	59	1,199	00	1,04,714	59	46,782	00
5,12,511	71	3,28,419	49	92,046	22	4,20,465	71	92,046	00
12,174	53	1,217	53	1,096	00	2,313	53	2,361	00
31,340	32	5,955	32	2,538	00	8,493	32	22,847	00
10,01,239	45	6,22,182	63	1,11,320	82	7,33,503	45	2,67,736	00
2,05,293	07	90,104	07	37,653	00	1,27,757	07	77,536	00
41,253	36	11,249	19	3,000	17	14,249	36	27,004	00
78,255	30	20,528	23	5,873	07	26,401	30	51,854	00
16,034	20	5,966	56	1,007	64	6,974	20	9,060	00
3,465	21	1,098	21	287	00	1,385	21	2,580	00
3,781	62	3,781	62	...	...	3,781	62	...	...
3,48,582	76	1,32,727	88	47,820	88	1,80,548	76	1,68,034	00

INDIAN TEA

INCOME AND EXPENDITURE ACCOUNT

EXPENDITURE	Rs.	nP.	Rs.	nP.
To Contribution to Bengal Chamber of Commerce & Industry ...			3,00,000	00
„ Establishment ...	52,868	53		
„ Printing ...	16,325	28		
„ Stationery ...	13,536	27		
„ Books and Newspapers ...	1,809	86		
„ Postage ...	6,682	10		
„ Telegrams ...	2,630	30		
„ Telephones ...	2,967	25		
„ General Charges ...	4,781	78		
„ Travelling ...	28,387	81		
„ Audit Fee ...	2,000	00		
„ Income tax on Security Interest ...	17,554	96		
„ Sundry Subscription ...	35,778	00		
„ Pensions and Gratuities ...	26,703	08		
„ Law Charges ...	1,812	20		
„ Depreciation ...	2,42,848	13		
„ Advisers' Salaries and Expenses ...	3,86,599	49	4,56,685	55
„ Statistical Dept. Expenses ...	39,701	42		
„ Contribution to I.T.A. London ...	41,405	21		
„ Iron and Steel Control ...	3,078	00		
„ B. C. G. Expenses ...	201	41		
„ Engineering Dept. Expenses ...	2,29,232	10		
„ Siuillong Adviser's Expenses ...	Rs. 1,05,430 48			
Less : Contribution ...	8,790 00	96,640	48	
„ Contribution to Terai Planters Association ...	4,000	00		
„ Contribution to Tea Planters Benevolent Institution ...	4,919	25		
„ Labour Department Expenses				
Assam Branch ...	1,31,183	63		
Surma Valley Branch ...	33,855	92		
Darjeeling Branch ...	20,812	38		
Dooars Branch ...	1,17,728	85		
„ Family Planning Expenses ...	7,861	06	11,17,219	20
„ Loss on redemption of securities ...			3,656	25
„ Contribution to superannuation fund ...			4,00,000	00
„ Surplus carried to Balance Sheet ...			32,48,818	54
TOTAL RS. ...			55,26,379	54

INDIAN TEA

Scientific

BALANCE SHEET as at

LIABILITIES.	Rs.	pP.	Rs.	pP.
CAPITAL ACCOUNT				
As per last Balance Sheet ...	23,12,742	58		
Add: Amount transferred from Indian Tea Association General Account	37,83,553	62		
	60,96,296	20		
Less: Deficit for the year as per Income and Expenditure Account ...	31,31,755	61	36,64,54	59
SUNDRY CREDITORS :—				
For Expenses ...	2,22,175	43		
Other Finance ...	37,265	18	2,59,440	01
LONDON ADVISORY COMMITTEE :—				
Overdraft at National and Grindlays Bank Ltd., London.				
A/c. Investigation into Chemistry of Made Tea £ 97-15-5 ...	1,305	87		
A/c. London Advisory Committee £ 494-9-4 ...	6,604	36	7,910	23
TOTAL RS. ...			29,31,890	43

AUDITORS' REPORT.

We have audited the foregoing Balance Sheet of the Indian Tea Association Scientific Department as at 31st December 1959 and the Income & Expenditure Account for the year ended on that date in which are incorporated the certified returns from the Indian Tea Association, London. We have obtained all the information and explanations we have required. Subject to our report on 1st March concerning the returns from the Director, Tocklai Experimental Station, in our opinion, the Balance Sheet exhibits a true and correct view of the state of affairs of the Association according to the best of our information and the explanations given to us and as shown by the books of the Association.

LOVELOCK & LEWES.
Chartered Accountants.

Calcutta, the 4th March, 1960.

ASSOCIATION.

Department.

31st December, 1959.

ASSETS	Rs.	nP.	Rs.	nP.
FIXED CAPITAL EXPENDITURE (as per Schedule)				
Tocklai Land & Buildings ...	12,83,160	61		
Air Conditioning Plant ...	6,952	00		
Electrical Installation ...	1,15,674	00		
Internal Telephone Installation ...	3,208	00		
Water Supply ...	41,840	00		
Tea Factory Machinery ...	7,509	00		
Laboratory Apparatus & Equipment ...	1,01,297	00		
Laboratory Fittings ...	990	00		
Advisory Officers' Bungalows ...	1,37,295	00		
Furniture & Fittings ...	2,56,081	00		
Motor Car and Vehicles ...	1,16,934	37		
Meteorological Enclosures ...	13,490	00		
Fencing & Roadways ...	53,007	00		
OUTSTANDINGS, considered good ...	8,756	91	21,37,437	98
„ doubtful ...	1,095	08		
			9,851	99
DEPOSITS ...			1,024	31
ADVANCES ...			4,34,301	95
STOCK OF STORES ON HAND ...			1,44,002	54
CASH				
With State Bank of India on Current Accounts ...	79,874	33		
„ Director, Tocklai Experimental Station : At United Bank of India, Jorhat on Current Account Rs. 77,559.53 On hand ...	40,980.68	21		
„ Indian Tea Association London. On hand ... £ 13.9.4	179	86		
Remittance in transit ... £ 500-0-0	6,678	26		
			2,05,272	66
TOTAL RS. ...	...	...	29,31,891	43

W. D. BRYDEN,
Secretary.D. L. BETTS,
Chairman..

INDIAN TEA

Scientific

Schedule of Fixed

	Written down value on 31-12-1958.	Additions in 1959	Sales during 1959
1	2	3	4
Tocklai land and Buildings :—			
Buildings	10,39,531 00	2,73,009 35	.....
Land	1,08,178 92	.....	6,304 31
Electrical Installation ...	73,633 00	70,959 88	...
Internal Telephones ...	3,810 00	200 00	...
Water Supply ...	25,767 00	26,533 26	...
Tea Factory Machinery ...	8,343 00	.....	...
Laboratory Apparatus and Equipment ...	65,394 00	61,225 88	...
Laboratory Fittings ...	100 00	1,000 00	...
Air Conditioning Plant ...	7,724 00	.....	...
Advisory Officers' Bungalow and Staff Quarters :—			
Dooars	10,763 00	14,602 08	...
Darjeeling	10,145 00	89,126 75	...
Cachar	26,835 00	1,078 29	...
Furniture and Fittings :—			
Tocklai Officers' Bungalow and Office Furniture ...	2,19,065 00	52,541 32	...
Advisory Officers' Bungalow and Office Furniture ...	7,331 00	5,596 03	...
Meteorological Enclosures ...	6,491 00	8,498 56	...
Fencing and Roadways ...	... ..	58,896 67	...
	16,13,110 92	6,63,268 07	6,304 31
	Cost to 31-12-1958	Additions in 1959	Sales in 1959
Motor Cars and Vehicles ..	2,38,444 26	19,287 92	..

ASSOCIATION

Department

Capital Expenditure 1959.

Total of col 2 and 3 minus col 4		Percentage of Depreciation		Depreciation in 1959		Balance on 31-12-1959	
5		6		7		8	
13,12,540	35	10%		1,31,254	85	11,81,286	00
1,01,874	61	...		...	...	1,01,874	61
1,44,592	88	20%		28,918	88	1,15,674	00
4,010	00	20%		802	00	3,208	00
52,300	26	20%		10,460	26	41,840	00
8,343	00	10%		834	00	7,509	00
1,26,619	88	20%		25,322	88	1,01,297	00
1,100	00	10%		110	00	990	00
7,724	00	10%		772	00	6,952	00
25,365	08	10%		2,536	08	22,829	00
99,271	75	10%		9,927	75	89,344	00
27,913	29	10%		2,791	29	25,122	00
2,71,606	32	10%		27,160	32	2,44,446	00
12,927	03	10%		1,292	03	11,635	00
14,989	56	10%		1,499	56	13,490	00
58,896	67	10%		5,889	67	53,007	00
22,70,074	68	...		2,49,571	07	20,20,503	61
Cost to 31-12-1959	Depreciation up to 31-12-1958		Depreciation during 1959		Total Depreciation		Balance at 31-12-1959
2,57,732.18	89,661.26		51,136.55		1,40,797.81		1,16,934.37

INDIAN TEA

Scientific

Income and Expenditure Account

EXPENDITURE	Rs.	nP.	Rs.	nP.
To Office and Establishment ...	10,14,873	17		
Botanical Branch Expenses ...	2,81,700	56		
Agricultural Branch Expenses ...	6,70,246	52		
Tea Chemistry & Technology ...	2,35,711	00		
Plant Pathology ...	2,53,431	42		
Soil Physics Chemistry & Meteorology ...	1,52,335	53		
Statistical Branch Expenses ..	70,673	39		
Advisory Branch Expenses :				
Assam ...	2,28,944	25		
West Bengal ...	2,37,830	88	31,45,746	72
London and Calcutta Expenditure :				
London Advisory Committee Meeting Expenses ...	6,881	06		
Investigation into Chemistry of Made Tea ...	67,935	15		
Calcutta Expenditure ...	11,231	52		
London Expenditure ...	6,678	26	92,725	99
Depreciation ...			3,02,274	62
Loss sustained on Burglary at North Bank			4,448	09
Salvage of Fire Claim Received in 1957 Refunded ...			2,422	35
TOTAL ...			35,47,617	77

ASSOCIATION.

Department*for the year ended 31st December, 1959.*

INCOME	Rs. nP		Rs. nP.	
B: Sale of Green Tea Leaf and Export Quota Rights ...			67,745	01
Sale of Publications ...			30,474	29
Advice Fees ...			14,955	54
Sundry Receipts ...			767	41
Excess Liability not required written back ...			1,919	91
Deficit Carried to Balance Sheet ...			34,31,755	61
TOTAL ...			35,47,617	77

